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Item No. \_\_\_\_\_

Page Count 3

Mar #486

ENTERED  
Office of the Secretary

MAR 27 1996

5 Part of  
Public Record

Iowa, Louisiana

February 12, 1996

**RESOLUTION NO. 96-02**

**Resolution Opposing the Proposed Merger of the  
Union Pacific and Southern Pacific Railroads**

FD32760

**WHEREAS**, there is a Proposed Merger of the Union Pacific and Southern Pacific

Railroads; and

**WHEREAS**, the Southern Pacific Railroad serves the Town of Iowa, Louisiana; and

**WHEREAS**, the operation plans submitted by the Union Pacific Railroad in regard to said proposed merger states that over 5000 jobs will be lost if the merger is completed and a study done by the AFL-CIO puts employment loss at between 10,000 and 11,000 jobs; and

**WHEREAS**, the railroads have plans to abandon several small branch lines that at this time serve small shippers; and

**WHEREAS**, if the planned merger is completed there will be a substantial hardship placed on the employees and their families and employees having to choose between relocating or resigning;

**WHEREAS**, if the merger is completed there will more trains running through the Town of Iowa, blocking crossings for longer time periods.

**NOW, THEREFORE**, be it resolved, by the Mayor and Board of Alderman, the Town of Iowa, in regular session convened that:

The Mayor and the Board of Alderman of the Town of Iowa do hereby oppose the

ADVISE OF  
PROCEEDING





proposed merger of the Union Pacific Railroad and Southern Pacific Railroad and the Clerk of the Board of Alderman is hereby directed to forward a copy of this resolution to Governor Mike Foster, State of Louisiana, Attorney General Richard Ieyoub, State of Louisiana and Mr. Vernon A. Williams of the Surface Transportation Board, Washington, D.C.

The above and foregoing resolution was read and adopted.

The following Aldermen voted "YEA":

Calvin Ceasar, Gerald Guidry, Joseph Chatgnier, Charles Savoy, and Wilford Borne

The following Aldermen voted "NAY":

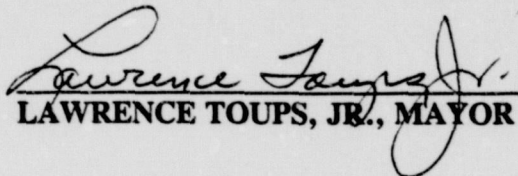
NONE

Absent:

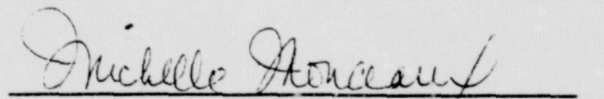
NONE

**WHEREAS,** his Resolution was declared adopted on this 12th day of February, 1996.

APPROVED:

  
LAWRENCE TOUPS, JR., MAYOR

ATTEST:

  
MICHELLE MONCEAUX, TOWN CLERK

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62008

Item No. \_\_\_\_\_

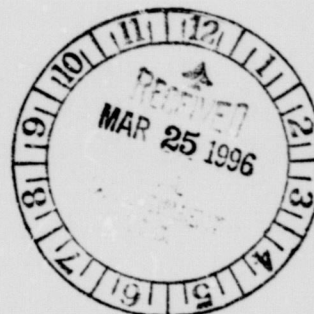
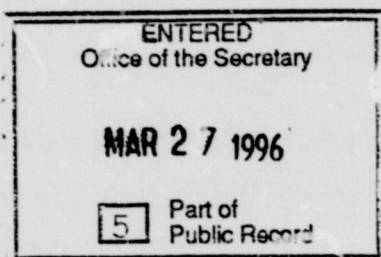
Page Count 2  
Mar #489



P.O. Box 530  
Abernathy, Texas 79311  
Telephone: 806-298-4501  
FAX: 806-298-4234

March 13, 1996

Mr. Vernon Williams  
Secretary  
Surface Transportation Board  
12th and Constitution Avenue, N.W.  
Washington, D.C. 20423



Re: Finance Docket No. 32760, Union Pacific Corporation, et al. -- Control & Merger  
-- Southern Pacific Rail Corporation, et al.

Dear Secretary Williams:

I am writing on behalf of the National Grain Sorghum Producers in reference to the proposed merger of the Union Pacific and Southern Pacific railroads. Rail mergers and acquisitions are of great importance to U.S. sorghum producers as a whole. On average, the U.S. ships some 75,000 cars of sorghum per year. Often rail freight is the difference between a profitable sale and a loss.

Therefore, please note our opposition to the proposed merger of the Union Pacific and Southern Pacific railroads based upon its effects on competition and ultimately upon rail transportation costs. As a sorghum industry, most of our production is in remote, rural areas in the Plains states. Therefore, water transportation is immediately eliminated as a source of competition. With the average length of rail movement of sorghum being in excess of 500 miles, this also eliminates most truck traffic. Therefore, our competitiveness against other U.S. feed-grains and against foreign competition is greatly impacted by rail rates and rail competition.

The Burlington Northern/Santa Fe agreement, which extends rail service through trackage rights to some shippers now served by SP or UP will not effectively solve the loss of competition caused by the merger. Among the problems with trackage rights are the delays for the user railroad caused by the owner railroad giving priority to its rail cars as well as the increased prices from track usage fees. Competition between BN/SF and UP/SP will **not** be vigorous in critical sorghum markets. In high volume markets with easy access by both railroads, competition will be adequate, however, in many less attractive markets competition will basically be non-existent and freight rates will be set accordingly.

A typical sorghum shipment from the Ft. Worth area to Houston now has a choice of UP or SP routes. The UP and SP routes provide similar competitive benefits to sorghum shippers on rail routes to St. Louis, Mexico, and the West Coast. This UP/SP competition keeps the rail price down and the shipping schedule options and customer service policies in place. Therefore, NGSP can not support the merger due to questions and concerns about the impact that the merger would have on prices and profitability for our industry.

**ADVISE OF ALL  
PROCEEDINGS**



P.O. Box 530  
Abernathy, Texas 79311  
Telephone: 806-298-4501  
FAX: 806-298-4234

I certify that I am qualified and authorized to file this statement on behalf of the National Grain Sorghum Producers. Executed on the 20th of March, 1996.

Best regards,

*Bill Kubecka*

Bill Kubecka  
NGSP President

cc: Senator Trent Lott  
Representative Susan Molinari  
NGSP Board of Directors

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Item No. \_\_\_\_\_

Page Count 1  
Mar # 484

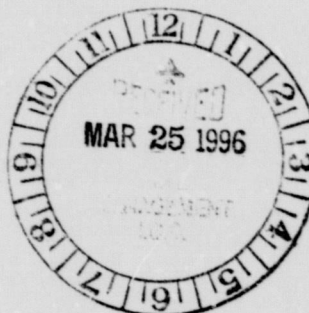
62003

# JOHN CASTILLO

City of Houston

City Councilmember District I

March 20, 1996



The Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
12th Street and Constitution Avenue  
Washington, D. C. 20423

RE: Finance Docket 32760

Dear Secretary Williams:

I am writing to voice my opposition to the proposed merger between the Union Pacific Railroad Company (UP) and Southern Pacific Line (SP), which I believe will be detrimental to the Texas economy.

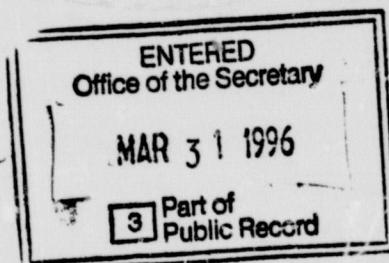
Specifically because of the anticipated 742 job losses in Texas, the bulk of the net job losses will be incurred in Houston, which is expected to absorb the loss of 460 jobs. Other criticisms of this merger are reduced competition and increased shipping rates. This merger will, in effect, create a monopolistic rail system in Texas, which will reduce the number of railroad service providers below levels considered sufficient to maintain adequate competition in thirty-three (33) Texas counties. Likewise, less rail competition is expected to lead to higher shipping rates, with shippers losing effective options for transporting goods and products.

As a Houston City Councilman, I am interested in preserving jobs and creating new opportunities. It is also my responsibility to consider the best interest of our state's overall economy. For all these reasons, I urge the Board, after careful review, to vote no on the proposed UP/SP merger.

Sincerely,

*John E. Castillo*

John E. Castillo



cc: Hon. Carole Keeton Rylander, Chairman  
Railroad Commission of Texas

**ADVISE OF ALL  
PROCEEDINGS**

STB

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Item No. \_\_\_\_\_

Page Count 1

Mar #483

**WALTER DAVIDSON**

Honorable Val Whelan  
As a 44 year retired  
railroader I see lots of  
disadvantages in a  
merger with the UPTSP  
railroads as financial book  
32760. I oppose the merger  
From the loss of  
competition, jobs and  
any consideration of  
the customers.  
Big railroads only want  
unit trains & coast to coast  
freight and are unrestricted  
in the small shippers.  
Please oppose the merger

Walter Davidson

oppose Financial book 32760

ENTERED	
Office of the Secretary	
MAR 27 1996	
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ADVISE OF ALL  
PROCEEDINGS

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Item No. \_\_\_\_\_

Page Count: 3

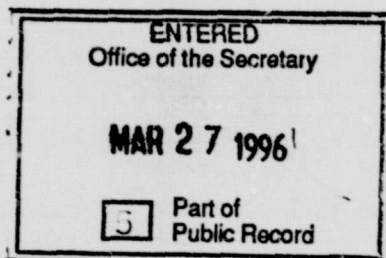
Ma. #479

61998

2620 Thousand Oaks Blvd.  
Suite 3420  
Memphis, TN 38118  
901-794-2225

**GST Corporation**

TOTAL QUALITY IS OUR #1 PRIORITY.



March 20, 1996

The Honorable Vernon A. Williams,  
Secretary,  
Surface Transportation Board, 12th & Constitution Ave., N.W.  
Washington, D.C. - 20423

SUBJECT - Finance Docket No. 32760, Union Pacific Corporation, et. al.-Control  
and Merger-Southern Pacific Rail Corporation, et al.

Attached please find my verified statement in full support of the BNSF agreement  
with the UP/SP to provide competitive rail service at 2 to 1 points.

Very truly yours,

Lanny S. Vaughn,  
President and CEO,  
GST Corporation.  
2620 Thousand Oaks Blvd., Suite 3420,  
Memphis, Tennessee - 38118

**ADVISE OF ALL**  
**PROCEEDINGS**



VERIFIED STATEMENT  
OF  
LANNY S. VAUGHN  
ON BEHALF OF  
GST CORPORATION



Surface Transportation Board,  
Washington, D. C.

SUBJECT - Finance Docket No. 32760, Union Pacific Corporation, Union Pacific Company, and Missouri Pacific Railroad Company - Control and merger - Southern Pacific Rail Corporation, Southern Pacific Transportation Company, et al.

My name is Lanny S. Vaughn, President and CEO of GST CORPORATION, headquartered at 2620 Thousand Oaks Blvd., Suite 3420, Memphis, TN 38118. I completed my undergraduate work in 1965 at Memphis State University (BBA, with honors), and my MBA from Arizona State University, as well as the two year program from the College of Advanced Traffic. I was in the employ of the Southern Pacific Railroad for 21 years, and my last assignment was that of Assistant Vice President - Southeast Region.

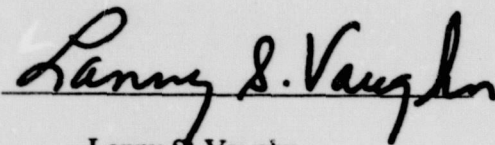
I assumed my employment with GST Corporation in January, 1986, as Senior V. P., of National Accounts. Part of my responsibilities, then and now, included understanding the efficient utilization of all major railroads, as well as the optimization of competitive factors in the best interest of GST and the shipping public. While in the employ of the Southern Pacific I had tours of duty in the Operating Dept., Train Service, Marketing, Sales, and Pricing, and am very familiar with the past and current operations of the Southern Pacific Railroad Company. My duties at GST have also required that I be very knowledgeable of the operations of the Union Pacific, as well as the BNSF and the manner in which they serve the shipping public.

GST CORPORATION is a major Intermodal Marketing Company, with 30 offices throughout the United States and Canada. We have a customer base in excess of 2,500, we ship the full spectrum of commodities with the major groups consisting of consumer products, electronics, paper products, chemicals, lubricants, tires and steel. In 1995 we are on a pace that will see GST handle approximately 260,000 shipments both intermodal and carload, with approximately 40,000 of these shipments moving on the Union Pacific and Southern Pacific also approximately 45,000 shipments on the BNSF.

We understand that Union Pacific and Southern Pacific have entered into an agreement with BN/SF which will grant BN/SF access to points that would lose rail competition if the Union Pacific and Southern Pacific merged without any conditions. Among the locations where competition is to be maintained are California, the Central Corridor,

South Texas and various U.S.-Mexico border crossings. Although the UP/SP merger will reduce the number of large Western Railroads from three to two, the merger conditioned by the BN/SF agreement will actually result in strong competition between two rail systems that can provide effective intermodal service. Therefore, we support the merger and the agreement between UP/SP and BN/SF which we believe will improve intermodal rail competition.

I, Lanny S. Vaughn, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on MARCH 20, 1996

A handwritten signature in cursive script, reading "Lanny S. Vaughn", written over a horizontal line.

Lanny S. Vaughn  
President and CEO  
GST CORPORATION

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Letter # 478

61997

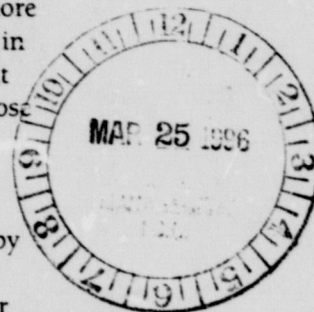


DEAR MR. SECRETARY:

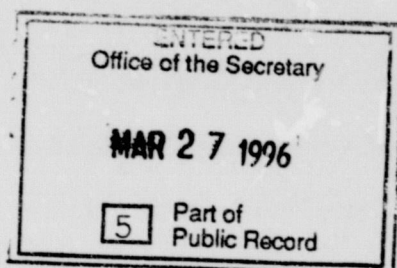
FD 32760

**I** urge the Surface Transportation Board (STB) to reject the merger of the Union Pacific and Southern Pacific Railroads. It is far more anti-competitive than the Santa Fe-Southern Pacific merger rejected in 1988. A hundred years ago, America cracked down on railroads that ripped off families, small businesses and consumers. Don't bring those monopolies back again!

As a worker whose job is threatened by this merger, I can tell you thousands of communities, consumers and shippers will be abused by corporate giants once rail competition is destroyed. Don't decimate jobs so that greedy owners can get richer. This merger is bad for our country. It should be rejected.



Name: Kenneth Castillo  
Address: 10 Robinhood LN  
Lumberton, TX 77657  
Employer: Kansas City Southern Lines



**ADVISE OF ALL  
PROCEEDINGS**



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Item No. \_\_\_\_\_

61992  
March 20, 1996

Page Count 1  
MAR #473

Finance Docket  
32760

The Honorable Vernon A Williams, Secretary  
Surface Transportation Board  
12th Street & Constitution Avenue  
Washington, DC 20423



Dear Mr. Williams,

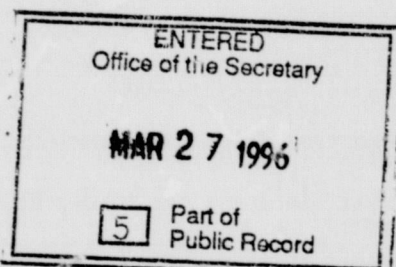
First I would like to thank you for taking the time to read this letter.

I have been reading and hearing about a plan merger between Union Pacific and Southern Pacific Railroads (Finance Docket 32760). Please be advise that I personally feel that this merger could have a damaging effect on our economy and the over all economy of the state of Texas.

Throughout the year we have seen the end results of what mergers between large companies will do. These mergers have cost the lost of jobs and the closing of companies. If something is not done to stop the lost of these jobs, I feel we will soon find ourselves living in a third world country.

Please oppose any merger as proposed in Finance Docket 32760.

Competition is what makes this Country grow. If we give in to what big business calls "good business", we may never regain control of our country's economy.



*Whitney S. Toutcheque*  
Whitney Toutcheque  
1090 Keith Road  
Lumberton, Texas  
77657

**ADVISE OF ALL**

**PROCEEDINGS**

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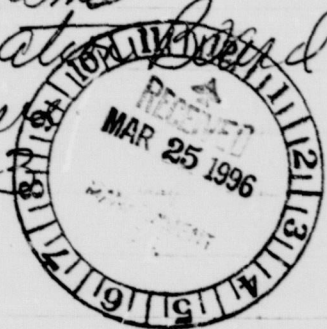
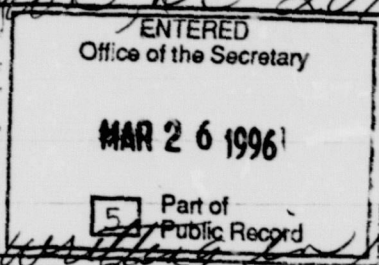
Mar #469

61958

ADVISE OF ALL

PROCEEDINGS

The Honorable Vernon Williams  
 Secretary Surface Transportation Board  
 12th & Constitution Ave NW  
 Washington, DC 20423



Sir,

I am ~~writing in~~ reference to  
 "Finance Docket 32760."

I oppose the merge of the Union  
 Pacific & Southern Pacific because  
 there would be a number of  
 jobs lost and people having  
 to relocate their families at  
 their own cost. My husband  
 has been employed by the  
 S.P. for 18 years and chances  
 of him losing his job is ~~very~~  
 great if the merger goes through.  
 We live on the Gulf Coast  
 Area and the U.P. will have  
 approximately 90% of the track  
 rights & that is unfair to  
 the customers of this area. I  
 am employed by a company  
 that is split up by the  
 S.P. & the U.P. You can definitely



tell the difference in service  
by both Railroad. The S.P.  
give us better service. They  
seem to move the freight  
better down the track. Many  
time the U.P. loses our rail  
cars, something is wrong when  
there ~~are~~ no clerks to go &  
locate cars that are being  
mishandled. I am a previous  
employee of the S.P. and  
Ches. Ho. I have a employee  
buy out in 1986 so that I wouldn't  
have to <sup>not</sup> transfer # ~~could~~ stay home with my small  
children & now that I am  
back in working force I continued  
to work for a business that  
repairs railcars. We relay  
on both SP & MP this gives  
customer choices on ~~to~~ ~~who~~ how  
they want their cars shipped  
out once we have completed  
them.

My children have been  
able to continue their education  
in the same school district if  
the merge goes through they

Will have to re-adjust to  
a different location. My eldest  
son will be in High School  
next school year & he wishes  
to continue going to school with  
the children he has grown up  
with. My daughter will be  
in Jr. High she too feels the  
same way. ~~the~~

Perhaps if you have  
children ages 14 & 11 you  
could understand how they  
would feel if they had to  
relocate because of a merger  
or even so, having their  
father unemployed because  
of a giant ~~take~~ take over.  
Of course, we have to do or  
go where ever our father /  
husband job may bring him.  
Please think of the small  
people in this matter instead  
of the big Corporate side.

cc: Railroad Commission      Jennie DeBlanc  
of Texas      1914 Arkansas  
PO Box 12967      Orange, TX 77630  
Austin, TX 78711-2967



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Marci

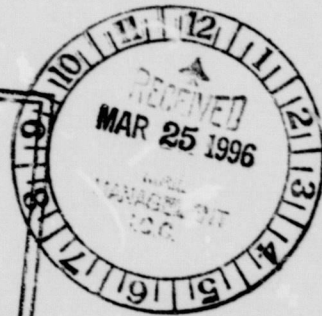
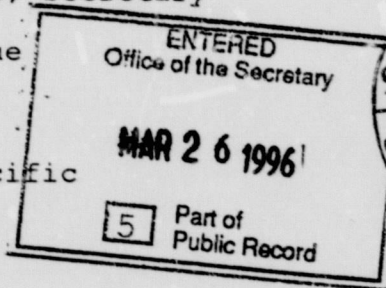
Page Count 2

Mar # 468

The Honorable Vernon A. Williams, Secretary

Surface Transportation Board  
12th Street & Constitution Avenue  
Washington, DC 20423

RE: Finance Docket 32760  
Union Pacific & Southern Pacific  
Merger Proposal



Honorable Vernon A. Williams...

Please let this letter serve as my written opposition of the proposed rail merger, as well as my vow to vote against the re-election of any government official in favor of this "monopolistic rail-carrier connection!"

As a former active member of T.A.C.T. - Texans Associated for Competitive Trucking...originally known as Tex-AID - Texans Associated for Independent Distribution...a grass-roots association made up of concerned manufacturers, distributors, and industries, many of which were Fortune 500 companies, from across the nation, united together, and dedicated to the de-regulation of trucking in the state of Texas, I know first hand how detrimental insufficient competition and artificially inflated freight rates can be to large corporations, small businesses, and economic growth.

With only a chosen few freight carriers having the legal authority to haul freight within the borders of Texas, as regulated and appointed by the Texas Railroad Commission, many companies chose to relocate just outside our borders, taking jobs, tax revenue, and a healthy Texas economy with them; not even considering the loss of businesses who chose not to locate in Texas initially, which there is no way of even estimating. For instance, by locating to Shreveport, a distributor-manufacturer could serve their Dallas customer base in a more profitable manner than if they were located in Houston due to the high regulated freight rates in Texas, as well as gain more rapid service to their customers since there was an abundance of freight carriers accessible to them.

After countless battles, fought on the floors of the capital, with numerous House Bills written and proposed in order to achieve a fair market for all Texas industry, competing for business in the state, national, and global economy, our war against regulation in the trucking industry was ultimately won only a short time ago...allowing businesses across the State of Texas to begin enjoying the benefits of competition in the freight industry for the first time in over 50 years.

Now, history is trying to repeat itself in the form of a rail merger, which would have the same financial and devastating stranglehold which we of T.A.C.T. fought against in the trucking industry.

**ADVISE OF ALL**

(page 1 of 2)

**PROCEEDINGS**

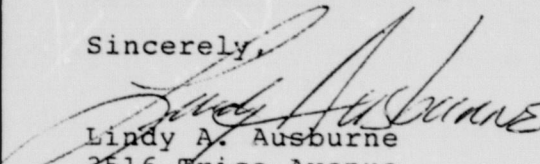
Of course, not only industry, manufacturers, and distributors would be financially effected by the monopolistic merger if passed, the consumer could as well, regardless if they reside in Texas or elsewhere. After all, in order to maintain their current profit level margin, they will pass any increased freight cost factors on to the consumer for raw materials, general commodities, etc.; thus, causing a rise in the cost of living index.

As an independent freight agent in the trucking industry, I would undoubtedly profit from this merger, although I can in no way condone it's passage or the harmful ramifications of it. Ultimately, the railroad would be digging their own grave, due to many distributors and manufacturers who used railroad transportation in the past, switching back to reliable over-the-road trucking methods of transportation in the future, leaving railcars sitting empty on sideline spurs and yards across Texas.

The passing of this proposed merger would prove without a shadow of a doubt that "freedom of choice," as guaranteed by the Consitution of the United States of America, is D.O.A. in Texas, with no chance of breathing life back into corpse of industry...thus, a communistic climate would prevail, which I had presumed had ceased to exist around the world.

In summary, I respectfully implore you to take the stance of "liberity and justice for all," sealing this financially undesirable Finance Jocket 32760 forever away, never to rise from the grave again to threaten the prosperity of Texas industries or haunt our economic growth and stability.

Sincerely,



Lindy A. Ausburne  
3516 Trice Avenue  
Waco, Texas 76707

817-753-0256 (FAX same)  
817-717-2748

CC Railroad Commission of Texas  
P.O.Box 12967  
Austin, Texas 78711-2967

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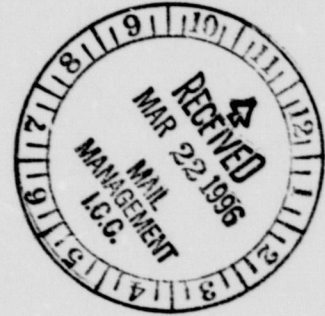
Item No. \_\_\_\_\_

Page Count 3  
Mar # 425

**LSBC Holdings, Incorporated**

121 West First Street  
P.O. Box 65  
Geneseo, Illinois 61254-0065

Telephone 309-344-476

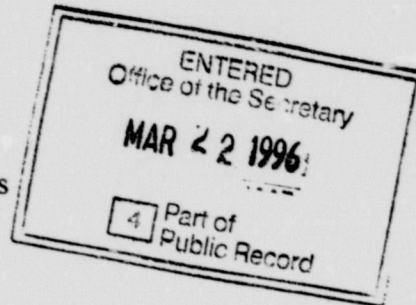


March 21, 1996

**LSBC-2**

**Via overnight delivery**

The Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
12th and Constitution Avenue  
Washington, DC 20423



Finance Docket No. 32760

Union Pacific Corporation, Union Pacific Railroad Company, and  
Missouri Pacific Railroad Company

--Control and Merger--

Southern Pacific Rail Corporation, Southern Pacific Transportation  
Company, St. Louis Southwestern Railway  
Company, SPCSL Corp., and the Denver and Rio Grande Western  
Railroad Company

**Request for Extension to File Inconsistent and Responsive Application**

Dear Secretary Williams:

On March 3, 1996, **LSBC Holdings, Inc.**, was contacted by individuals representing employees of the former Denver and Rio Grande Western Railroad. This group was interested in examining an employee-led or employee-sponsored buyout of the former lines of the DRGW, including access from Kansas City to Oakland, California.

This group, formally known as the "DRGW Employee Labor Committee" was interested in combining their efforts to effect purchase of these lines, with **LSBC's** efforts to do the same. We have come to agreement in principal that the combining of our common interests could represent the best solution to providing a competitive third-rail carrier in the Central Corridor Region.



LSBC is currently not a rail operator and has not been accorded the privilege of Discovery and the time necessary to study all relevant information regarding the proposed merger, and thus has been limited in its ability to draft a comprehensive and complete Responsive Application worthy of review by the Surface Transportation Board. Given the fact that:

1.) The addition of the DRGW Employee Labor Committee and their agenda needs to be coordinated within the breadth and scope of LSBC's Responsive Application.

2.) And that the integration of the DRGW Employee Labor Committee's agenda may substantially change and/or modify LSBC's **Inconsistent and Responsive Application**.

3.) And that sufficient time (less than 3 weeks) has been available to coordinate those efforts.

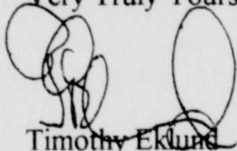
4.) And that, in our opinion, the requests of current railroad employees who will be directly affected by the merger should be given fair and due consideration,

We respectfully request of the Surface Transportation Board an extension to file LSBC's **Responsive Application** until April 12th, 1996 to coincide with the extension granted to the USDOJ.

We fully realize and appreciate the timetable which has been established by the Surface Transportation Board in regards to these proceedings. However, we feel that in order to fully integrate and coordinate LSBC's efforts and the efforts of the DRGW Employee Labor Committee and our combined desire to effect an employee-sponsored buyout of the lines of the Central Corridor, additional time is needed to gather and analyze all relevant information needed to make an effective Responsive Application that reflects fully the combined interests of our two parties.

We sincerely apologize for the lateness of this request, however, we believe the circumstances warrant its consideration and sincerely hope the Surface Transportation Board will fully consider these unusual and unforeseen circumstances, and the potential importance they represent to these proceedings.

Very Truly Yours,

A handwritten signature in black ink, appearing to read 'Timothy Eklund', written over a horizontal line.

Timothy Eklund  
President, LSBC Holdings, Inc.

**Certificate of Service**

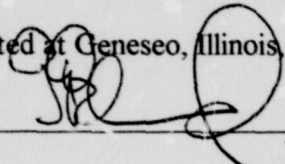
I hereby certify that on this 21st day of March, 1996, a copy of the foregoing **Request for Extension to File Inconsistent or Responsive Application** was delivered via Next Day Air upon:

Arvid Roach, II, Esq.  
Covington and Burling  
1201 Pennsylvania Avenue, N.W.  
Washington, DC 20044

Paul Cunningham, Esq.  
Harkins and Cummingham  
1300 Nineteenth Street, N.W.  
Washington, DC 20036

Dated at Geneseo, Illinois, this 21st day of March, 1996.

Signature

  
\_\_\_\_\_  
Timothy Eklund  
President, LSBC Holdings, Incorporated

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Item No. \_\_\_\_\_

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IDAHO'S • FINEST

**LARSEN FARMS**

Office of the Secretary

MAR 22 1996

Part of  
Public Record

HOME OFFICE • 2379 E. 2300 N. • HAMER, ID 83425 • (208) 662-5550 • FAX (208) 662-5550



Revised and Conditioned Statement of Support for the Proposed Merger of  
Union Pacific Railroad and Southern Pacific Transportation Company

On Thursday, March 14, 1996, Blaine Larsen Farms, Inc., P.O. Box 188 Hamer, Idaho 83425, filed a statement in support of the proposed Union Pacific / Southern Pacific merger. Subsequent to our filing we have learned that an entity controlled by the majority shareholder of Montana Rail Link, will be filing with the Surface Transportation Board an inconsistent or responsive application in which that entity will propose acquiring one of the Union Pacific routes between California and Kansas City (the "MRL Proposal"). In our opinion, without the MRL or a comparable solution, the UP/SP proposal eliminates rail competition in the Central Corridor of the United States. The trackage rights UP/SP have agreed to grant to BNSF are unlikely to result in BNSF's Providing meaningful competition in the Central Corridor. It will cost BNSF nothing if it elects not to use those rights. Competition can only be assured with an independent third party owner/operator acquiring one of the Union Pacific or Southern Pacific routes between California and the Kansas City area. We, therefore, condition our support of the merger on sale of a Central Corridor route to an independent party that would have to provide competitive service in order to justify its investment in the rail line.

Blaine Larsen Farms strongly supports Montana Rail Link's Proposed acquisition of the Union Pacific line between Silver Bow, Montana, and Pocatello, Idaho as a strategic element system with the Central Corridor solution. The Silver Bow-Pocatello line ties together the present MRL system with the Central Corridor route at Ogden, Utah, providing important traffic to support the new Central Corridor system and affording the economic synergies of tying both MRL systems together. The MRL Central Corridor Solution will provide routing via their own proposed system.

Larsen Farms currently use the Central Corridor to ship 1100 carloads of potatoes a year to Midwestern and Eastern Markets. It is imperative that this traffic lane remains competitive for our and other area shippers economic viability.

As mentioned in our previous filing, there are many benefits to the Union Pacific's proposed merger with the Southern Pacific. The MRL proposal maintains the benefits of both the



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UP/SP merger including the proposed trackage rights agreement with Burlington Northern Santa Fe, and at the same time ensures true competition in the Central Corridor through sale of one of the routes to an independent operator.

Our company conditions its support of the UP/SP merger application on sale of a Central Corridor route as described in the MFL Proposal.

Sincerely,

Bart Larsen  
GM Fresh Division



STB

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32760

3-22-96

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Item No. \_\_\_\_\_

Page Count 6

WAR # 426

61956  
UP/SR-285



BEFORE THE  
SURFACE TRANSPORTATION BOARD

Finance Docket No. 32760

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY  
AND MISSOURI PACIFIC RAILROAD COMPANY

-- CONTROL AND MERGER --

SOUTHERN PACIFIC RAIL CORPORATION, SOUTHERN PACIFIC  
TRANSPORTATION COMPANY, ST. LOUIS SOUTHWESTERN RAILWAY  
COMPANY, SPCSL CORP. AND THE DENVER AND  
RIO GRANDE WESTERN RAILROAD COMPANY

APPLICANTS' REPLY TO REQUEST OF  
USBC HOLDINGS, INC. FOR EXTENSION TO  
FILE INCONSISTENT AND RESPONSIVE APPLICATION

ENTERED  
Office of the Secretary

MAR 22 1996

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Public Record

CANNON Y. HARVEY  
LOUIS P. WARCHOT  
CAROL A. HARRIS  
Southern Pacific  
Transportation Company  
One Market Plaza  
San Francisco, California 94105  
(415) 541-1000

PAUL A. CUNNINGHAM  
RICHARD B. HERZOG  
JAMES M. GUINIVAN  
Harkins Cunningham  
1300 Nineteenth Street, N.W.  
Washington, D.C. 20036  
(202) 973-7601

Attorneys for Southern  
Pacific Rail Corporation,  
Southern Pacific Transportation  
Company, St. Louis Southwestern  
Railway Company, SPCSL Corp. and  
The Denver and Rio Grande  
Western Railroad Company

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RICHARD J. RESSLER  
Union Pacific Corporation  
Martin Tower  
Eighth and Eaton Avenues  
Bethlehem, Pennsylvania 18018  
(610) 861-3290

JAMES V. DOLAN  
PAUL A. CONLEY, JR.  
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Union Pacific Railroad Company  
Missouri Pacific Railroad Company  
1416 Dodge Street  
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(402) 271-5000

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Covington & Burling  
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P.O. Box 7566  
Washington, D.C. 20044-7566  
(202) 662-5388

Attorneys for Union Pacific  
Corporation, Union Pacific  
Railroad Company and Missouri  
Pacific Railroad Company

ORIGINAL

March

BEFORE THE  
SURFACE TRANSPORTATION BOARD

---

Finance Docket No. 32760

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY  
AND MISSOURI PACIFIC RAILROAD COMPANY

-- CONTROL AND MERGER --

SOUTHERN PACIFIC RAIL CORPORATION, SOUTHERN PACIFIC  
TRANSPORTATION COMPANY, ST. LOUIS SOUTHWESTERN RAILWAY  
COMPANY, SPCSL CORP. AND THE DENVER AND  
RIO GRANDE WESTERN RAILROAD COMPANY

---

APPLICANTS' REPLY TO REQUEST OF  
LSBC HOLDINGS, INC. FOR EXTENSION TO  
FILE INCONSISTENT AND RESPONSIVE APPLICATION

Union Pacific Corporation ("UPC"), Union Pacific  
Railroad Company ("UPRR"), Missouri Pacific Railroad Company  
("MPRR"),<sup>1/</sup> Southern Pacific Rail Corporation ("SPR"), Southern  
Pacific Transportation Company ("SPT"), St. Louis Southwestern  
Railway Company ("SSW"), SPCSL Corp. ("SPCSL"), and The Denver  
and Rio Grande Western Railroad Company ("DRGW"),<sup>2/</sup> hereby reply  
to the Request of LSBC Holdings, Inc. ("LSBC") for Extension to  
File an Inconsistent and Responsive Application, dated March 21,  
1996 and received by Applicants on March 22, 1996.

In its Decision No. 6, served October 19, 1995, the ICC  
issued a final procedural schedule for this proceeding. The

---

<sup>1/</sup> UPC, UPRR, and MPRR are referred to collectively as "Union  
Pacific." UPRR and MPRR are referred to collectively as "UP."

<sup>2/</sup> SPR, SPT, SSW, SPCSL and DRGW are referred to collectively  
as "Southern Pacific." SPT, SSW, SPCSL and DRGW are referred to  
collectively as "SP."



Commission affirmed that procedural schedule in its Decision No. 9, served on December 27, 1995. Under the schedule, comments on the application are due no later than March 29, 1996.

Although LSBC has been on notice for more than five months of the deadline for comments, it now seeks an extension of time until April 12, 1996, within which to file its comments. This request comes only eight days before the deadline. LSBC offers two arguments in support of its request. Neither has merit.

First, LSBC claims that it "has not been accorded the privilege [sic] of [d]iscovery and the time necessary to study all relevant information regarding the proposed merger." (Request, p. 2.) Discovery in this proceeding began in December. Since then, numerous parties have actively engaged in discovery. Applicants have made every effort to respond to discovery requests in a timely fashion and move the proceeding on schedule. Applicants also have provided access to their document depository, six days a week, to ensure that all parties are given a full and fair opportunity to review relevant evidence. Some time ago, Applicants advised LSBC of its right to review documents in Applicants' depository and participate in discovery. LSBC has never filed a motion to compel discovery in this proceeding. Applicants have in no way hampered LSBC's effort to develop its case and should not be forced to incur an unwarranted delay due to LSBC's failure to take action.

Second, LSBC represents that it was contacted on March 3, 1996 by individuals representing the DRGW Employee Labor Committee. (Request, p. 1.) LSBC asserts that it needs additional time to file its comments in order to "integrate and coordinate" (Request, p. 2) its efforts with those of a group it calls the DRGW Employee Labor Committee.<sup>3/</sup> Notice of Applicants' intention to merge was published by the ICC more than six months ago.<sup>4/</sup> All parties interested in this proceeding have had ample time to explore how best to advance their positions regarding the merger. LSBC is not entitled to an extension of time merely because it decided only recently to explore the possibility of collaborating with the so-called DRGW Employee Labor Committee.

For the reasons stated, the Board should deny LSBC's request for additional time to file its comments.

---

<sup>3/</sup> In its request, LSBC suggests that it is considering a joint bid with the DRGW Employee Labor Committee to purchase certain rail lines. LSBC has not specified the members of the so-called DRGW Employee Labor Committee, nor has it established that it has the necessary financial resources to go forward with such a venture.

<sup>4/</sup> Decision No. 1, 60 Fed. Reg. 45737 (Sept. 1, 1995).



Respectfully submitted,

CANNON Y. HARVEY  
LOUIS P. WARCHOT  
CAROL A. HARRIS  
Southern Pacific  
Transportation Company  
One Market Plaza  
San Francisco, California 94105  
(415) 541-1000

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1300 Nineteenth Street, N.W.  
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(202) 973-7601

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Pacific Rail Corporation,  
Southern Pacific Transportation  
Company, St. Louis Southwestern  
Railway Company, S.F. SL Corp. and  
The Denver and Rio Grande  
Western Railroad Company

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Missouri Pacific Railroad Company  
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Arvid E. Roach II / ssg  
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(202) 662-5388

Attorneys for Union Pacific  
Corporation, Union Pacific  
Railroad Company and Missouri  
Pacific Railroad Company

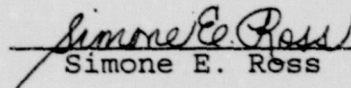
March 22, 1996

CERTIFICATE OF SERVICE

I, Simone E. Ross, certify that, on this 22nd day of March, 1996, I caused a copy of the foregoing document to be served by first-class mail, postage prepaid, or by a more expeditious manner of delivery on all parties of record in Finance Docket No. 32760, and on

Director of Operations  
Antitrust Division  
Suite 500  
Department of Justice  
Washington, D.C. 20530

Premarmer Notification Office  
Bureau of Competition  
Room 303  
Federal Trade Commission  
Washington, D.C. 20580

  
\_\_\_\_\_  
Simone E. Ross

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Page Count 2  
Mar # 415

**SERVICE COOPERATIVE**

MAR 22 1996

GENERAL OFFICE

POST OFFICE BOX 429

HAWLAN, IOWA 51537

(712) 755-3185

(800) 463-4373

Public Record

March 16, 1996

Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
12th & Constitution Ave. N.W.  
Washington, D.C. 20423

Re; Finance Docket No. 32760, Union Pacific Corporation, et  
al.-Control and Merger-Southern Pacific Rail Corporation,  
et.al.

Dear Sir:

This letter is written to show support by Farm Service Cooperative for the Burlington Northern/Santa Fe (BN/SF) agreement with the Union Pacific/Southern Pacific (UP/SP) which is to be imposed as a condition of the merger of the UP/SP.

I am Keith Heim, General Manager, of Farm Service Cooperative. I have been with this cooperative since 1983 and have held the position of general manager since 1988.

Farm Service Cooperative (FSC) is an agricultural coop located in west central Iowa providing products and services to our customers in grain, feed, fertilizers, chemicals and petroleum.

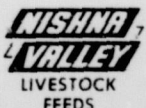
FSC has grain elevators located on three different rail lines; the Union Pacific, Iowa Interstate and Burlington Northern. The annual volume of grain transported on these three lines is approximately fourteen million bushels.

FSC fully supports the agreement between the BN/SF and UP/SP. This agreement must be imposed as a condition of the proposed merger. Under the agreement, the BN/SF would be able to serve regions, routes and stations that would lose access to a second rail carrier as a result of the UP/SP merger. The agreement would give the BN/SF adequate access to affected regions and should provide the strongest competitive service to customers that any railroad can provide.

These services would benefit the agricultural sector of the country, such as FSC, by servicing the current markets available as well as opening new markets for commodities produced. Other benefits would be improved equipment utilization, better port access and operating efficiencies that would facilitate international trade.



Providing Quality Supplies, Services and Marketing at a Competitive Price  
for the Economic Benefit of Its Members and Their Co-operative.



PROCEEDINGS

ADVISE OF ALL



# FARM SERVICE COOPERATIVE

GENERAL OFFICE

POST OFFICE BOX 429

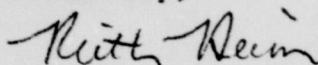
HARLAN, IOWA 51537

(712) 755-3185  
(800) 452-4372

Western Iowa in the past has been a geographical area that was deficit of corn because of livestock production. The shift from livestock to cash grain production the last ten years has caused this same area to be an exporter of grain, corn and beans, to domestic and/or foreign markets. For this reason FSC is highly dependent upon the operation and equipment efficiencies provided by the competing railroads to keep our customer competitive in the market place.

Again, Farm Service Cooperative does support the agreement by the BN/SF and UP/SP as a condition to the merger. As in our business, competition is healthy as long as the playing fields are level. FSC feels that this agreement does in fact keep the playing fields level.

Sincerely,

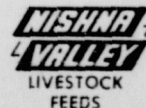


Keith Heim  
General Manager

*Marcia Hansen, Notary Public*



Providing Quality Supplies, Services and Marketing at a Competitive Price  
for the Economic Benefit of Its Members and Their Co-operative.



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3-22-96

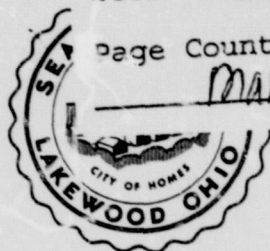
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Item No. \_\_\_\_\_

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MAP # 416



12650 DETROIT AVENUE • 44107 • 216/521-7580 • FAX 216/521-1379

March 14, 1996

MADELINE A. CAIN  
MAYOR

Honorable Vernon A. Williams  
Secretary, Surface Transportation Board  
12th Street & Constitution Avenue  
Washington, D.C. 20423

Dear Secretary Williams:

I am concerned that the proposed Union Pacific-Southern Pacific railroad merger is not in the public interest in northeast Ohio. We would be far better served if the UP-SP's eastern routes were, as part of the proposed merger, sold to Conrail, not leased to another western railroad.

My reasoning is straightforward. First, our industrial companies, particularly in the booming polymers sector, need direct service to raw materials and markets in the Gulf "chemical coast" region and to Mexico. Second, we believe that an owner-carrier, such as Conrail, would have greater incentive to improve markets along the route. Third, by keeping Conrail strong, we ensure a variety of service options and strong price competition among the major railroads in our region, namely CSX, Norfolk and Southern, and Conrail.

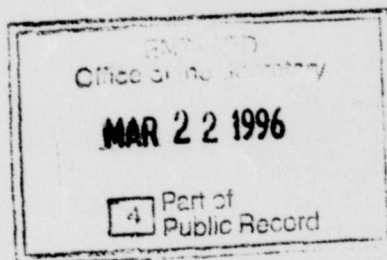
Finally, I am concerned that railroad "mega mergers" cost hardworking citizens jobs - as they have in other industries. Conrail is a major Ohio employer, and their success is in the public interest here.

For those reasons I would oppose the proposed merger unless it includes the Conrail purchase of the eastern lines of the old Southern Pacific. Only with the Conrail acquisition will northeast Ohio economies be maximally served.

Thank you for your consideration.

Sincerely,

Madeline A. Cain



MAC:dm

**ADVISE OF ALL  
PROCEEDINGS**



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Item No. \_\_\_\_\_

Page Count 1

MAR #417

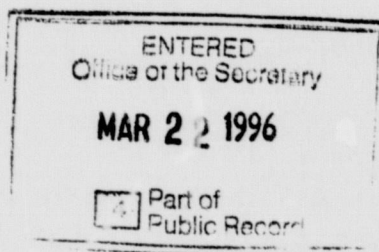
3-17-96 61952

THE HONORABLE VERNON A. WILLIAMS, SECRETARY  
SURFACE TRANSPORTATION BOARD  
12th Street & CONSTITUTION AVENUE  
WASHINGTON; D.C. 20423



DEAR SIR:

IN REFERENCE TO FINANCE DOCKET 32760, PLEASE BE ADVISED THAT I STRONGLY OPPOSE THE PROPOSED MERGER BETWEEN THE UNION PACIFIC & SOUTHERN PACIFIC RAILROADS. I FEEL THIS MERGER WOULD EFFECTIVELY THREATEN RAIL COMPETITION, FAIR RATES, AND JOBS. PLEASE HELP KEEP FREE ENTERPRISE AND COMPETITION ALIVE IN THIS STATE'S RAIL INDUSTRY.



Sincerely,

C.S. GENTRY  
(Steve Gentry)

Rt. 3, Box 3306

BEN WHEELER, TEXAS

75754

**ADVISE OF ALL  
PROCEEDINGS**

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Item No. \_\_\_\_\_

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Mar # 448

ADVANCE ALL  
PROCEEDINGS

GUSTAVUS TOWNSHIP

4339 State Route #87 Farmdale, Ohio 44417 Phone 216-876-2017

March 15, 1996

Honorable Vernon A. Williams, Secretary  
SURFACE TRANSPORTATION BOARD  
12th Street & Constitution Avenue  
Washington, D. C. 20423



Dear Secretary Williams:

We are concerned that the proposed Union Pacific-Southern Pacific railroad merger is not in the public interest in Northeast Ohio. We would be far better served if the UP-SP's eastern routes were, as part of the proposed merger, sold to Conrail, not leased to another western railroad.

Our reasoning is straightforward. First, our industrial companies, particularly in the booming polymers sector, need direct service to raw materials and markets in the Gulf "chemical coast" region and to Mexico. Second, we believe that an owner-carrier, such as Conrail would have greater incentive to improve markets along the route. Third, by keeping Conrail strong, we ensure a variety of service options and strong price competition among the major railroads in our region, namely CSX, Norfolk and Southern, and Conrail.

Finally, we are concerned that railroad "mega mergers" cost hardworking citizens jobs--as they have in other industries. Conrail is a major Ohio Employer, and their success is in the public interest here.

For those reasons we would oppose the proposed merger unless it includes the Conrail purchase of the eastern lines of the old Southern Pacific. Only with the Conrail acquisition will Northeast Ohio economies be maximally served.

Thankyou you for your consideration.

Sincerely,

Gustavus Township Trustees

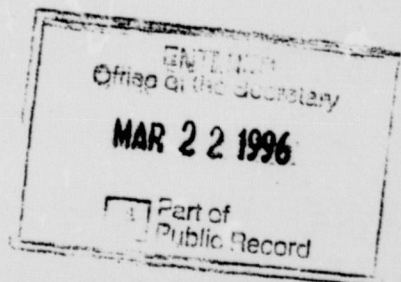
*Colleen F. Hartman, Clerk*

Colleen F. Hartman, Clerk

Jay R. Logan, Chairman

Robert P. Jeffers

Robert S. ...



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Item No. \_\_\_\_\_

Page Count 1

Doc # 419

**in-Stock Grain Association**  
**P. O. Box 239**  
**Merriman, NE 69218**

12 March 1996



The Honorable Vernon A. Williams  
Secretary  
United States Surface Transportation Board  
12th & Constitution Ave NW  
Washington DC 20423

Re: STB Finance Docket No. 32760, *Union Pacific Corporation. et. al. -- Control and Merger -- Southern Pacific Rail Corporation. et. al.*

Dear Mr. Williams:

Co-op Non-Stock Grain Association supports the BN/Santa Fe Agreement reached with UP/SP in the above referenced case, we strongly urge the Surface Transportation Board to impose the BN/Santa Fe Agreement as a condition to any UP/SP merger.

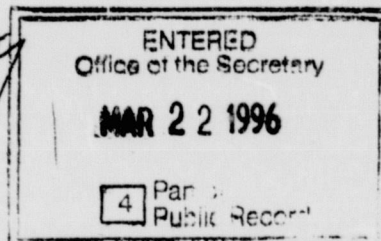
Co-op Non-Stock Grain Association is a producer cooperative operating the largest grain elevator in Cherry County Nebraska (the largest county in area in the contiguous U.S.). Our elevator is served by NEBKOTA Railway with virtually all of our traffic interchanged to BN/SF. We are one of the largest originators of millet seed, a specialty grain in the United States.

STB imposition of the BN/ATSF Agreement on any merger of UP/SP will open additional markets for our originated agricultural products. Most specifically a number of receivers of millet seed located on UP or SP in the Southwest and California would be accessible by direct BNSF routing. These are markets which due to difficulties associated with interline rates and routes are effectively closed to us now.

I declare under penalty of perjury that the foregoing is true and correct. Executed on this 12th day of March, 1996.

Greg Wedeking.  
General Manager

*Greg D. Wedeking*



**ADVISE OF ALL  
PROCEEDINGS**

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Item No. \_\_\_\_\_

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Mar #420

March 18, 1996

Re: "Finance Docket 32760"

The Honorable Vernon A. Williams, Secretary  
Surface Transportation Board  
12th Street & Constitution Avenue  
Washington, DC 20423



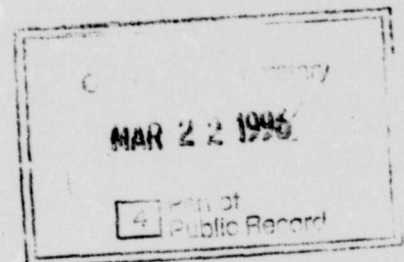
The merger between Union Pacific and Southern Pacific railroads could have a harmful effect on the economy of many Texas communities. I have relative working for Southern Pacific and he said they have been told if the merger happens a lot of them will lose their jobs. When we lose rail competition, we also lose in the competition for industrial and business relocation, for economic development---for jobs. Texas needs another owning railroad, not another merger, to ensure effective rail competiition. Please work toward defeating this merger - thanks.

Sincerely

*Carroll P. Waggoner*  
Carroll P. Waggoner

1209 Westover

College Station, TX 77840-2616



**ADVISE OF ALL**

**PROCEEDINGS**

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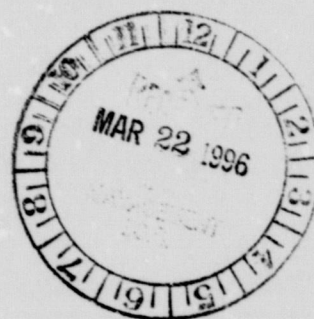


Item No. \_\_\_\_\_  
Page Count 2  
Mar #421



**Debra Danburg**

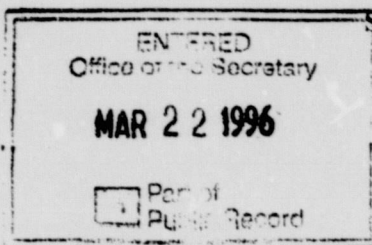
Chair  
Committee on Elections  
State Affairs



March 18, 1996

The Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
12th Street and Constitution Avenue  
Washington, D.C. 20423

Sent Via Fax: (202) 927-5984



RE: Finance Docket 32760

Dear Secretary Williams:

I am writing in regards to an application pending before you that seeks approval of a merger between the Union Pacific Railroad Company (UP) and Southern Pacific Lines (SP). I am very concerned that this merger will significantly reduce rail competition in Texas, which will result in a negative impact on Texas businesses and our State's economy.

UP acknowledges that the merger would greatly reduce rail competition and has proposed a trackage rights agreement with Burlington Northern-Santa Fe (BNSF) as the solution. A trackage rights agreement, however, simply does not solve the problem. Texas needs another owning railroad, not another merger, to ensure effective rail competition.

An owning railroad willing to provide quality service and investment is the best solution for shippers, communities and economic development officials. An owning railroad also offers the best opportunity to retain employment for railroad workers who would otherwise be displaced by the proposed merger.

I urge the Board to carefully review the proposed UP/SP merger and to recommend an owning railroad as the only means to ensure adequate rail competition in Texas.

Sincerely,

*Debra Danburg*  
Debra Danburg  
State Representative

**ADVISE OF ALL  
PROCEEDINGS**

DD/pwc

The Honorable Vernon Williams  
March 18, 1996  
Page 2

cc: The Honorable Carole Keeton Rylander, Chair, Railroad Commission of Texas  
The Honorable Charles R. Matthews, Railroad Commission of Texas  
The Honorable Barry Williamson, Railroad Commission of Texas  
The Honorable Speaker James E. "Pete" Laney, Texas House of Representatives  
The Honorable John Cook, Texas House of Representatives  
The Honorable Robert Junell, Texas House of Representatives  
The Honorable Robert Saunders, Texas House of Representatives

STB

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3-22-96

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**DM&E**

Item No. \_\_\_\_\_

Page Count 2

**DAKOTA, MINN**

MAR #427

**CORPORATION**

337 22nd AVENUE SOUTH  
PO BOX 178  
BROOKINGS SD 57006  
605 697 2400

ENTERED Office of the Secretary <b>MAR 22 1996</b> <input type="checkbox"/> Part of Public Record
---

March 18, 1996

J.C. McIntyre  
President & CEO



Mr. Vernon Williams, Secretary  
Surface Transportation Board  
12th and Constitution Avenue, N.W.  
Washington, DC 20423

RE: Finance Docket No. 32760 - Union Pacific Corp., et al - Control and Merger - Southern Pacific Rail Corp, et al.

Dear Secretary Williams:

The Dakota, Minnesota & Eastern Railroad hereby lends its strong support for the proposed merger of the Union Pacific and Southern Pacific rail systems.

The merger of the UP system with the SP system will result in more markets being readily available for our movements out of and into our system. Our acquisition of the 203-mile Colony Line will expand DM&E's system and improve its efficiency. The net result of the two transactions will provide our shippers with better, more efficient transportation alternatives. DM&E will have effective connections with Burlington Northern/Santa Fe at Crawford, NE, and with UP at Mason City, IA, Winona and Mankato, MN. Thus, South Dakota shippers can expect access to both large and efficient rail systems. This opens up a multitude of new markets for South Dakota businesses.

We are hopeful, in particular, that equipment supply will improve through coordination of the combined fleets and operational improvements. In recent months severe car supply problems have created serious problems for our shippers. We are working with UP in an effort to resolve those problems, and are confident in their commitment to that end.

DM&E urges the Board to promptly approve the proposed merger of Union Pacific and Southern Pacific. If there is any additional information we can provide, please contact my office.

**ADVISE OF ALL**

Sincerely,

*J.C. McIntyre*  
J.C. (Pete) McIntyre  
President and CEO

JCM:jeh(jcm\vwilliams)

**ADVISE OF ALL  
PROCEEDINGS**



Mr. Vernon Williams, Secretary  
March 18, 1996  
Page 2

cc: Honorable W.J. Janklow  
Honorable Larry Pressler  
Honorable Tom Daschle  
Honorable Tim Johnson  
Honorable Ron Wheeler

Mr. Vernon Williams, Secretary  
March 18, 1996  
Page 3

bcc: Kevin V. Schieffer

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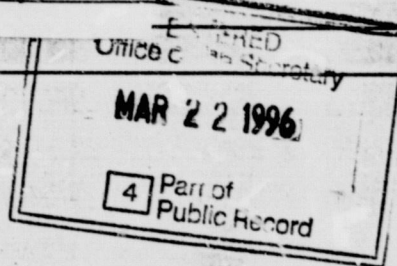
Mar # 428

61946

Joe T. Jones

Certified Public Accountant

P.O. Box 131675 Tyler, Texas 75713-1675  
1905 Ricketts Lane  
Office (903) 581-7879  
Fax (903) 581-7889



March 18, 1996

The Honorable Vernon A. Williams, Secretary  
Surface Transportation Board  
12th Street & Constitution Avenue  
Washington, DC 20423

Re: Finance Docket 32760

Dear Mr. Williams:

I wish to voice my opposition to the proposed merger of the Southern Pacific Railroad and the Union Pacific Railroad. This country's entrepreneurship is based upon competition. That competition motivates businesses to provide the best and most economical service and product that they can produce.

Without competition, you will find a company content with giving mediocre service and increasing prices. If this merger is approved, there will be nothing to keep the new "Mega-railroad" from raising its transportation rates. Then certainly shippers and manufacturers will be forced to raise their prices. Thus we would all pay for this merger by paying more for those products.

By not approving the merger, two successful and profitable companies will continue to compete with one another, thus keeping jobs for their employees and keeping shipping rates reasonable enough so that consumers will not ultimately bear the cost on the desire of railroad's Board of Directors.

Would you please act in the best interest of the people of Texas by opposing this proposed merger. Thank you for your consideration.

Sincerely,

Joe T. Jones, CPA

**ADVISE OF ALL  
PROCEEDINGS**



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Item No. \_\_\_\_\_

Page Count 1

Mar # 429



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**Olympia Office:**

107 Institutions Building  
P.O. Box 40482  
Olympia, WA 98504-0482  
(360) 786-7612

**Washington State Senate**

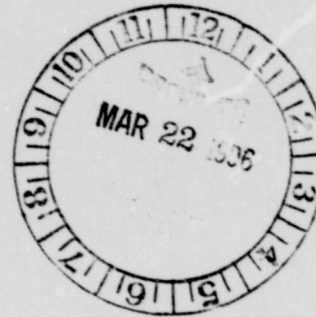
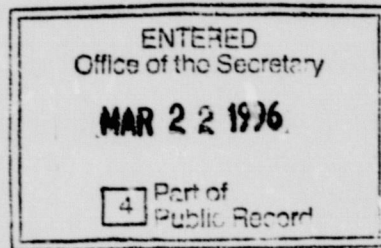
**Senator Bob Morton**  
Seventh Legislative District

**District Office:**

P.O. Box 1465  
Orient, WA 99160  
(509) 684-5132

March 18, 1996

*Handwritten:* R3260



Vernon A. Williams, Secretary  
Surface Transportation Board  
12th and Constitution! Avenue  
Washington, D. C. 20423

Dear Secretary Williams:

I respectfully request the Surface Transportation Board reconsider the matter of Burlington Northern Santa Fe railroad abandonment on the Mesa/Basin City (Franklin County, Washington) rail line.

The reason for requesting reconsideration is due to the fact of the serious adverse impacts on this rural area. In their original consideration, it is my understanding they did not have information addressing the importance of this rail line upon agricultural industries in this region: wheat, sugar beets, soy bean, etc.

Thank you for your attention and consideration of this request.

Cordially yours,

*Handwritten signature: Bob*

BOB MORTON  
State Senator

cc: Ivan Taylor

**ADVISE OF ALL  
PROCEEDINGS**

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Mar # 430

360/693-1336

FAX 360/693-1735

Employee owned

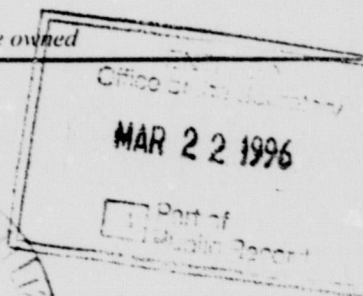
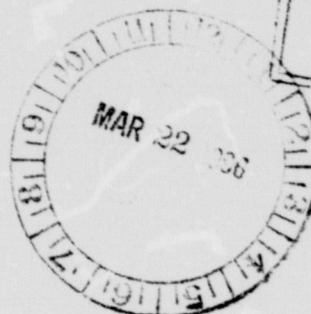
Vancouver, Washington 98660

61944



March 19, 1996

Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
12 Street & Constitution Ave., NW  
Washington DC 20423



RE: Finance Docket No. 32760, Union Pacific Corporation, et al  
Control and Merger- Southern Pacific Rail Corporation, et al

Dear Honorable Vernon Williams:

On November 30, 1995, Union Pacific Corporation, Union Pacific Railroad Company, Missouri Pacific Railroad Company ("UP") and Southern Pacific Rail Corporation, Southern Pacific Rail Company, Southern Pacific Transportation Company, The Denver & Rio Grande Western Railroad Company, St. Louis Southwestern Railroad Company and SPSCL Corporation ("SP") filed a joint application to the Surface Transportation Board ("Board") for approval of the merger of the two rails systems. Part of that joint application was a settlement agreement reached by Burlington Northern Santa Fe ("BN Santa Fe") and UP/SP to be imposed as a condition of that merger.

I am the Chief Executive Officer of Columbia Aluminum Corporation ("Columbia"). In 1987, Columbia acquired an alumina unloading facility in Portland, Oregon and a primary aluminum smelter in Goldendale, Washington. I have been the CEO of Columbia since 1987. My office is located at 1220 Main Street, Suite 200, Vancouver, Washington 98660.

The purpose of this letter is to communicate to you and the Board my support for the settlement agreement between BN Santa Fe and UP/SP and to request that the agreement be made a condition of the Board's approval of the UP/SP merger.

Columbia uses rail transportation almost exclusively for shipment of raw materials from Oregon, California and Texas to its smelter in Goldendale, Washington. Columbia also uses rail transportation to ship its finished products to its customers located across the United States but primarily to California, Texas, Michigan Minnesota, Indiana, Iowa, Georgia, Alabama and Florida. On an average month, Columbia receives approximately 333 rail cars carrying its raw materials, at a monthly cost to Columbia of \$509,150. Columbia also ships approximately 160 rail cars of its finished product to its customers at

ADVISE OF ALL  
PROCEEDINGS



an average cost of \$754,000 per month. In addition, every month Columbia also ships 3 cars of reprocessing material to Utah, at a cost of \$8082. Given the volume of Columbia's rail transportation use, competitively priced and efficient rail transportation service is critical to Columbia's ability to conduct its business activities.

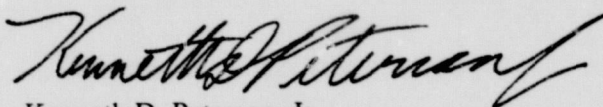
If the Board approves the UP/SP merger, Columbia favors and supports the settlement agreement among BN/Santa Fe and UP/SP as the complete and sufficient remedy for the loss of competition in the markets that would otherwise lose access to a second rail carrier as a result of the UP/SP merger. Columbia believes the settlement agreement will directly benefit Columbia as it would allow single-line rail shipments to Goldendale from the Midwest. In addition, the agreement will likely open service into California and Mexico, both of which are currently only serviced by UP/SP.

For the foregoing reasons, Columbia favors and supports the settlement agreement among BN/Santa Fe and UP/SP as the complete and sufficient remedy for the loss of competition in the markets.

Should you have any question or need any additional information, please contact me. Thank you for your consideration of these comments.

I state under penalty of perjury that the foregoing is true and correct. Executed the 19<sup>th</sup> day of March, 1996.

COLUMBIA ALUMINUM CORPORATION



Kenneth D. Peterson, Jr.  
Chief Executive Officer

cc: Roberta R. Lund  
Special Project Coordinator  
Law & Government Affairs Department  
3800 Continental Plaza  
777 Main Street  
Fort Worth, TX 76102-5384

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Page Count 1

Mar # 431

# CITY OF ELKO

1751 College Avenue • Elko, Nevada 89801 • (702) 738-5176 or 738-4213

March 15, 1996

The Honorable Vernon A. Williams  
Secretary, Interstate Commerce Commission  
Twelfth Street & Constitution Avenue, N. W.  
Room 2215  
Washington, D. C. 20423



RE: Finance Docket No. 32760, Union Pacific Corporation, et al -  
Control & Merger - Southern Pacific Rail Corp., et al

ENTERED  
Office of the Secretary

MAR 22 1996

☐ Put in  
Public Record

Dear Secretary Williams:

I am writing in support of the proposed merger between the Union Pacific Railroad and the Southern Pacific Railroad.

I believe that the merger will enhance the central corridor to its fullest potential, and give the opportunity to the combined UP/SP to very competitive in the industry. Even though some jobs will be lost and will affect local economies, I believe that the saving to the consumers and the competitive edge given to the central corridor, along with potential relocation of warehousing to the corridor, will help offset the reduction in the labor force. The merger will also provide two competitive railroads instead of one dominant company.

I encourage you to support the Union Pacific and Southern Pacific Railroads merger as it will improve the quality of service and balance the competitive forces in the western United States.

Sincerely,

*Michael Franzoia*

Michael Franzoia  
Mayor, City of Elko

**ADVISE OF ALL  
PROCEEDINGS**

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MAR #432

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Date

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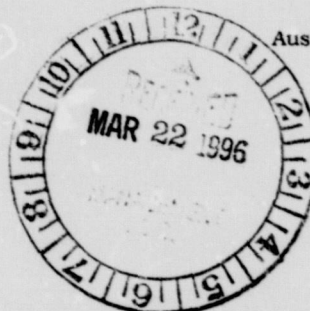
State Representative  
District 105

Temporary District Office:  
8035 E. R.L. Thornton, #519  
Dallas, Texas 75228  
214-324-9010

Capitol Office:  
P.O. Box 2910  
Austin, Texas 78768-2910  
512-463-0548

March 19, 1996

Carole Keeton Rylander, Chairman  
Railroad Commission of Texas  
1701 North Congress Avenue  
P.O. Box 12967  
Austin, Texas 78711-2967



Dear Chairman Rylander;

I am writing in regard to the proposed merger of the Union Pacific Railroad Co. (UP) and the Southern Pacific Railroads (SP). I believe that a such a mega-merger would not only threaten the economy of Texas but result in hazardous conditions on our highways.

In a merger such as this, the US/PS could effectively use their advantage to expedite its own train movements at the expense of smaller competitors. The inherent advantages bestowed upon the main players can virtually push smaller railroads out of the playing field. The Justice Department has said that a trackage rights scheme such as this leaves many anti-competitive concerns unresolved and one can argue that government approval of the UP/SP merger would be nothing more than governmental approval to operate a private monopoly.

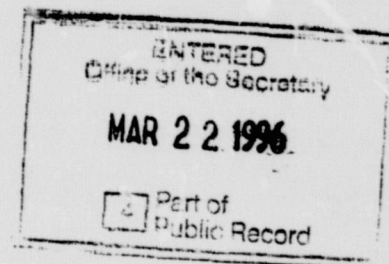
In addition, the elimination of rail competition can easily result in higher shipping costs, pushing the market onto our highways. There is already a growing concern over the number of inferior and or unregulated Mexican trucks on Texas highways and a potential increase would surely threaten the environmental health and personal safety of Texans as well as overburden our highway infrastructure.

I reiterate my opposition to the merger of the Union Pacific and the Southern Pacific and I urge the Commission and Congress not to shirk their responsibility by allowing the newly created Surface Transportation Board to arbitrarily rubber-stamp the UP/SP mega-merger creating this monopolistic rail giant.

Sincerely,

*Dale B. Tillery*  
Dale Tillery

cc: Surface Transportation Board



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Item No. \_\_\_\_\_

Page Count 2

Mar #433

ate of Texas  
if Representatives

# ADVISE OF ALL PROCEEDING

Ciro D. Rodriguez

District 118

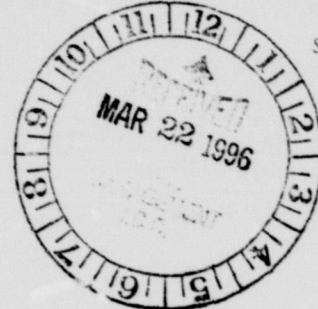
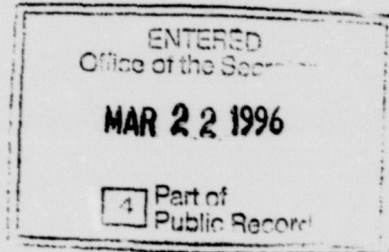
P.O. Box 2910

Austin, Texas 78768-2910

512-463-0714

FAX 512-463-1448

March 4, 1996



666 S.W. Military Dr.  
Suite 666-O  
San Antonio, Texas 78221  
210-921-0605  
FAX 210-924-6156

The Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
12th Street and Constitution Avenue  
Washington, D.C. 20423

RE: Finance Docket 32760

Dear Secretary Williams:

I writing about the application pending before you that seeks approval of the merger between the Union Pacific Railroad Company (UP) and Southern Pacific Lines (SP). I am concerned that the proposed merger will severely damage Texas' businesses and our state's economy. The only thing that the merger would create is a monopolistic rail system which would reduce rail competition and increase consumer prices.

As you know, the merger would grant UP control over a majority of the rail traffic, into and out of Mexico, of the petrochemical shipments from the Texas Gulf Coast, and of the plastics storage capacity in the Texas/Louisiana Gulf Region. Because UP has acknowledged that the merger would greatly reduce rail completion in our state, they have proposed a trackage rights agreement with Burlington Northern-Santa Fe. I hardly believe that this proposal is a real and long-term solution. There are no guarantees that railroads that operate on someone else's tracks will invest in the tracks and will work with local communities to attract economic development. Furthermore, trackage rights simply establish a tenant-landlord relationship. Such trackage rights are rarely sufficient to achieve appropriate levels of competition because the ultimate control over access, timing, and service quality remains with the landlord--UP in this case.

No one has been able to provide any assurances that this agreement would afford a substitute for true competition. What we really need is another owning railroad in Texas. Only this could ensure rail completion, not a merger.

As an elected official in Texas, my responsibility is to look out for the best interest of our city's and our state's economy. I do not believe that the proposed merger between UP and SP offers us substantial benefits on the contrary, it guarantees the loss of jobs and a price increase on consumer commodities.



I urge the Board to seriously consider the negative ramifications that his merger will have on our city and our state and recommend an owning railroad as the only means to ensure effective rail competition in Texas.

Sincerely,

Ciro D. Rodriguez  
State Representative

cc: Carole Keeton Rylander, Chairman  
Railroad Commission of Texas  
1701 North Congress Avenue  
P.O. Box 12967  
Austin, Texas 78711-2967



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RR DONNELLEY LOGISTICS SERVICES

FD 32760

41940

900 Jorie Blvd., Suite 260  
Oak Brook, Illinois 60521  
Telephone (708) 368-5301

An R.R. Donnelley  
& Sons Company

Item No. \_\_\_\_\_

Page Count 1

Mar # 434

March 19, 1996



Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
12th St. & Constitution Ave. NW  
Washington, DC 20423



Dear Honorable Secretary:

One of my primary functions as the Vice President of Marketing for RR Donnelley Logistics is to monitor railroad events and pricing. R. R. Donnelley is the worlds largest printer, therefore, Transportation & Distribution is important when it comes to our profitability and our being competitive in a global market.

As a corporation, we believe that competition is one of the key ingredients which drives service and provides for intelligent pricing. Therefore, we are not in favor of reducing competition in the private transportation sector.

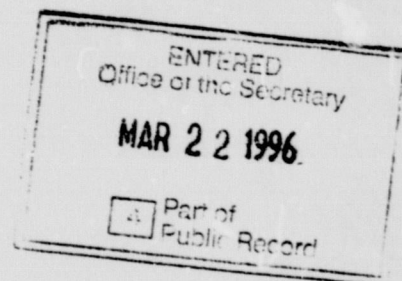
If your agency sees fit to allow the merger of the UP & the SP Railroads finance docket No. 32760, Union Pacific Corporation, et. Al - - Control and Merger - - Southern Pacific Rail Corporation, we would request that the BN/SF and UP/SP settlement agreement be made part and parcel of your order.

I state under penalty of perjury that the foregoing is true and correct. I execute this document on this 17th day of March, 1996, in the County of Cook, State of Illinois.

Sincerely,

*Robert Mooney*

Robert Mooney  
Vice President of Marketing & National Account Sales  
R. R. Donnelley Logistic Services



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Page Count 2

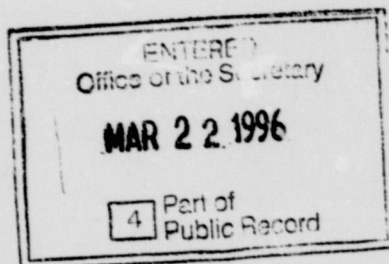
MAR # 435

**Metals Company**

P.O. Box 1046

Dallas, Texas 75221-1046

March 18, 1996



Mr. Vernon Williams  
SURFACE TRANSPORTATION BOARD  
Room 3315  
12th and Constitution, N.W.  
Washington, D.C. 20423-0001

RE: Finance Docket No. 32760, Union Pacific Corp., et al -- Control & Merger -- Southern Pacific Rail Corp., et al

Dear Mr. Williams:

My name is Ronald W. Bird and I am corporate traffic manager for Commercial Metals Company located at 7800 Stemmons Freeway, Dallas, Texas 75247. Our company, and subsidiaries, manufacture, fabricate, recycle, and market steel and metal products and related materials through a network of over 90 locations throughout the United States. The manufacturing group includes 4 steel mini-mills, 19 steel fabrication plants, 3 steel joist plants, 3 steel fence post manufacturing plants, 2 railcar rebuilding facilities, 8 concrete-related product warehouses, an industrial products supply company, and a copper tube plant. Through its network of 15 trading offices around the world, the company markets and trades primary and secondary metals, steel, ores, concentrates, industrial minerals, ferroalloys, chemicals, and other materials used in a variety of industries.

Our company has been a major user of rail service for transportation between the United States and Mexico for almost 50 years. The Laredo/Nuevo Laredo gateway is the primary route for international shipments between these countries and, as such, it is extremely important that competitive rail transportation continue at this border crossing. For many years this competition has existed as a result of Southern Pacific Railroad's partnership with the Texas Mexican Railroad Company which has allowed them access to Laredo as a competitive alternative to the Union Pacific Railroad.

A merger of Union Pacific and Southern Pacific will eliminate this option via the Laredo gateway. The proposed agreement between Union Pacific/Southern Pacific and Burlington Northern Santa Fe simply does not provide the necessary competitive alternative for the future. While the BNSF would gain additional access to Mexico under the proposed deal with the UP/SP, they have very little experience with Mexican commerce. CMC believes that



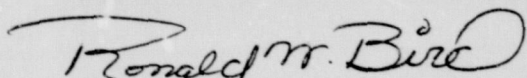
Mr. Vernon Williams  
SURFACE TRANSPORTATION BOARD  
March 18, 1996  
Page Two

a more competitive solution would be an expansion of the Tex-Mex Railroad's ability to serve Laredo through the granting of trackage rights from Houston, Texas to Corpus Christi, Texas. CMC urges the Surface Transportation Board to make the granting of these rights to the Tex-Mex Railroad a prerequisite condition to approval of the UP/SP merger.

In summary, Commercial Metals Company strongly supports the proposed merger of the Union Pacific and Southern Pacific Railroads. At the same time, we feel just as strongly that granting of trackage rights to the Tex-Mex Railroad will improve the competitive aspects of the merger as it relates to commerce between the United States and Mexico.

Yours truly,

COMMERCIAL METALS COMPANY



Ronald W. Bird  
Corporate Traffic Manager

cc: The Texas Mexican Railway Company  
c/o Central Business Services  
629 Green Bay Road  
Williamette, IL 60091

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MISSOURI SENATE  
JEFFERSON CITY

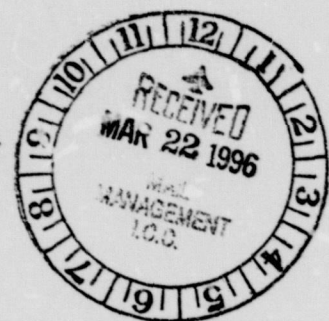
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Office of the Secretary	
MAR 22 1996	
<input checked="" type="checkbox"/> 4	Part of Public Record

JERRY T. HOWARD  
SENATE POST OFFICE  
STATE CAPITOL BUILDING, RM 428A  
JEFFERSON CITY, MO 65101  
TELEPHONE (314) 751-3301  
TDD (314) 751-3969

512 ONE MILE DRIVE  
P.O. BOX 279  
DEXTER, MO 63841  
TELEPHONE (314) 624-8778

March 18, 1996

The Honorable Vernon A. Williams, Secretary  
Surface Transportation Board  
Interstate Commerce Commission  
12th Street & Constitution Avenue  
Washington D.C. 20423



RE: UP\SP Merger

Dear Secretary Williams,

I am writing to thank you for the background information on the Boards decisions involving the Finance Docket. I want to reaffirm my position on the Southern Pacific (SP) and the Union Pacific (UP) Railroad proposal for merger. I feel that a merger of these rail lines will adversely effect competition.

Being aware of Conrails proposal to SP for the acquisition of SP's eastern lines from Chicago and St. Louis to Arkansas, Texas, and Louisiana, I again feel this proposal would be more effective in addressing Missouri's railroad concerns.

Instead of securing the majority of Missouri, Arkansas, Texas, and Louisiana's rail lines in the hands of one company, I feel that Conrails potential operation in this market will give this region faster, more direct service, and will involve fewer car handlings.

I think Conrail's proposal will ensure that Missouri's rail customers have multiple rail options, and that competition would exist to hold down shipping costs.

Again, I urge you to give the UP/SP proposed merger and the Conrail proposal to SP your utmost consideration.

Very truly yours,

Jerry T. Howard  
State Senator  
District 25

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COMMITTEES:  
AGING  
CITIES  
ENERGY &  
ENVIRONMENT  
JUDICIARY I

SPRINGFIELD OFFICE:  
2094-M STRATTON BUILDING  
SPRINGFIELD, ILLINOIS 62706  
217/782-3167

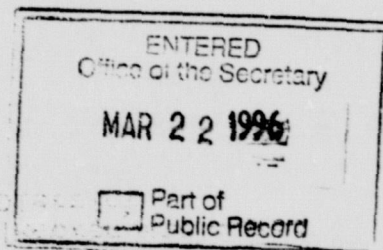
**DOUG SCOTT**  
STATE REPRESENTATIVE - 67TH DISTRICT



March 15, 1996

Mr. Vernon Williams  
Secretary  
Surface Transportation Board  
12th Street and Constitution Avenue, NW  
Washington, D.C. 20423

RE: Finance Docket 32760  
Union Pacific/Southern Pacific



Dear Mr. Williams:

I am writing to express my support for the proposed merger of Union Pacific and Southern Pacific.

There are many good reasons to support this merger, and the large number of supporters in the General Assembly, the private sector and in various municipalities indicates that this merger would be widely accepted in this State.

This proposed merger would not only be beneficial to the district I represent, but would also expand market opportunities throughout Illinois, and provide for a much better and faster rail network.

I appreciate your time in reading this letter, and would be glad to respond to any inquiries you may have. Thank you for your consideration of this matter.

Very truly yours,

*Doug Scott*  
Doug Scott  
State Representative  
67th District

**ADVISE ALL  
PROCEEDINGS**

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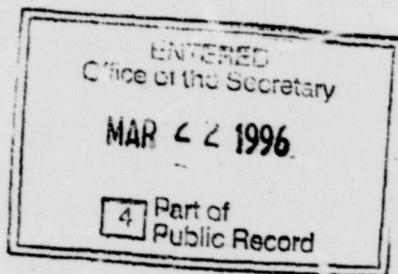
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Page Count 2

Mar #439

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*Al. Hogan*  
B U I L D E R



March 15, 1996



The Honorable Vernon A. Williams, Secretary  
Surface Transportation Board  
12th Street & Constitution Avenue  
Washington, D.C. 20423

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RE: Finance Docket 32760

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Dear Secretary Williams:

As a former Executive Director of the Victoria Texas Economic Development Corporation and current President of the largest homebuilder in south Texas, I believe I am uniquely qualified to address the proposed merger between the Southern Pacific and Union Pacific Railroads. This merger should be rejected. It probably should be rejected in total, but at a minimum, that portion of the Southern Pacific track which serves the chemical, petrochemical and refining industries located along the Texas Gulf Coast must be owned by Southern Pacific or some other competing carrier.

Texas has the best overall infrastructure for these industries in the United States. However, most new capital investment of this type has for years been going to foreign nations, and with that investment, we have lost tens of thousands of some of the highest paying jobs in our nation. If this merger is allowed, increased transportation costs resulting from the loss of competition will eliminate more U.S. investment and thus, more high paying jobs and more taxes to governmental entities at all levels.

To site an example, Union Carbide has a world scale plastic resin plant that employs 1200 workers located on the Union Pacific line in Calhoun County, Texas. Union Pacific was for years the only rail provider and utilizing its monopoly power, raised rates far beyond those being paid by industries located in the region that had access to two competing rail lines (usually the SPRR and UPRR). To improve their bargaining position, Union Carbide acquired nearly 20 miles of right-of-way to install a new spur which would then tie their plant to the Southern Pacific line. It would have probably cost Union Carbide up to \$20 million to build this spur to the SPRR but, in the long run, that would have still been less expensive than continuing to pay the monopolistic rates being charged by the UPRR. With only this threat being available, Union Carbide was able



Honorable Vernon A. Williams

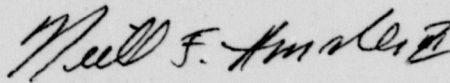
Page 2

March 15, 1996

to renegotiate satisfactory rates with the UPRR and thus, the spur to the SPRR was never built.

I believe this example is more than convincing evidence that the UPRR should not be allowed to achieve a monopolistic position for rail service to one of America's most vital industries.

Sincerely,

A handwritten signature in dark ink, appearing to read "Neill F. Amsler, III". The signature is fluid and cursive, with the last name "Amsler" being more prominent.

Neill F. Amsler, III  
President

NFA/dac

cc: Railroad Commission of Texas

Ms. Fran Irwin, Victoria Economic Development Corp.



STB

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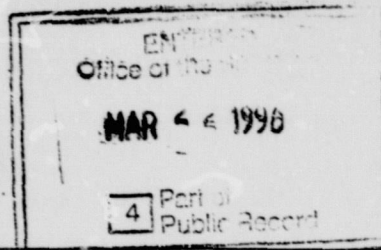
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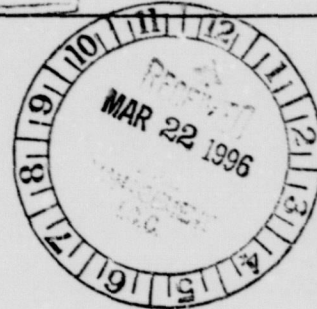
NY #438



**ERN  
AG-MINERALS  
COMPANY**



March 14, 1996



**ADVISE OF ALL  
PROCEEDINGS**

The Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
12th & Constitution Ave., N.W.  
Washington, D.C. 20423

Re: Finance Docket No. 32760, Union Pacific Corp. et.al. -  
Control and Merger - Southern Pacific Rail Corp. et.al. -

To Whom It May Concern:

This letter is written to express Western Ag-Minerals Company's support for the settlement agreement between the Burlington Northern Santa Fe (BNSF) Railway and Union Pacific/Southern Pacific (UP/SP) Railroads as it relates to the proposed merger referenced above.

My name is Curt H. Warfel. I am Vice President, Transportation and Distribution for Western Ag-Minerals Company. I have 17 years experience in the industrial transportation sector, primarily involved in the movement of heavy bulk commodities by rail. I have been employed by Western Ag-Minerals Company since 1985 and am currently responsible for all transportation, distribution and logistical functions of the company.

Western Ag-Minerals is a small potash mining company with headquarters located at 450 Gears Road, Suite 850, Houston, Texas 77067. Our production facilities are located in Southeastern New Mexico approximately 22 miles east of Carlsbad.

Western Ag annually produces and ships about 380,000 tons of sulphate of potash magnesia, a specialty potassium product used primarily in agricultural fertilizers. Our product, which is known by the trade name "K-Mag" is sold throughout Canada, Mexico and the United States as well as over 24 other countries worldwide. In addition to the

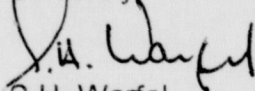
finished product noted above, we also mine and ship approximately 1.5 million tons of Langbeinite ore annually. In all, Western Ag ships about 18,000 carloads of ore and finished products each year. Because of our remote location and the nature of our product, we are heavily dependent on rail transportation for the delivery of our product to customers.

Western Ag-Minerals Company has not and likely, will not, take a position on the proposed UP/SP merger. We have reviewed the BNSF /UP/SP settlement however, and are supportive of it as a solution to anti-competitive aspects of the proposed merger.

We believe Western Ag will benefit from the extension of single line service which BNSF will be able to achieve through this agreement. Specifically, we anticipate reduced costs and improved transit times to the New Orleans gateway via BNSF's planned Temple, TX - New Orleans manifest train service. The addition of Eagle Pass and Brownsville, TX as single line gateways to Mexico will also be of benefit to Western Ag. We are also interested in the opportunities presented by an ability to utilize an additional major port (Corpus Christi) for our export activities. And, finally, we see possible improvements in service for our exports moving through Long Beach, CA which are able to utilize the "loop service" scenario outlined in the agreement.

In conclusion, Western Ag-Minerals is happy to state our support for the BNSF/UP/SP settlement agreement. Further, we strongly recommend that if the Board approves the proposed merger of Union Pacific and Southern Pacific, that this settlement agreement be made a condition to the merger.

Sincerely,

  
C.H. Warfel

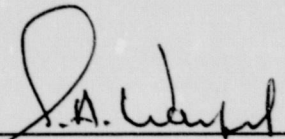
Vice President - Transportation & Distribution

Verification

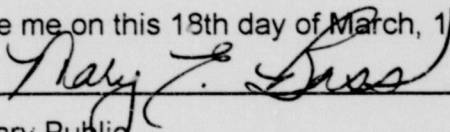
The State of Texas)

County of Harris )

Curt H. Warfel, being duly sworn, deposes and says that he has read the forgoing statement, and that the contents thereof are true and correct to the best of his knowledge and belief.

  
\_\_\_\_\_  
Curt. H. Warfel

Subscribed and sworn to before me on this 18th day of March, 1996

  
\_\_\_\_\_  
Notary Public

My Commission Expires:

9-1-98



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3-22-96

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Item No. \_\_\_\_\_

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Page Count 1

Mar # 437

FD 32460

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March 20, 1996

206 S. Market

Brenham, TX 77833

Vernon A. Williams, ~~Secretary~~  
~~Surface Transportation Board~~  
Washington, D. C. 20426

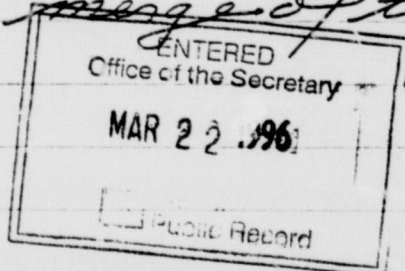


Reference to merge of T Rail Giants, Union Pacific, Southern Pacific, as you know this will be very bad for Texas and other states, as this rail giant will control all routes, and rates in most of Texas and western states.

This control will hurt shipments to and from various points control by this rail giant.

This will also eliminate various jobs, rail and private industries on control routes of this giant.

I am very much against this merge of these rail giants



Yours truly  
James M. White  
206 S. Market St.  
Brenham, TX 77833

PROCEEDINGS

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61926

Item No. \_\_\_\_\_

Page Count 1

Mar # 398

61924

**Betras & Dann**  
Attorneys at Law

114 E. Front Street

Youngstown, Ohio 44503-1405

Phone 216-746-8484

216-856-7552  
Trumbull County

800-457-2889

Fax 216-746-0248

March 13, 1996

Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
12th Street & Constitution Avenue  
Washington, D.C. 20423



Dear Secretary Williams:

I am concerned that the proposed Union Pacific-Southern Pacific railroad merger is not in the public interest in Northeast Ohio. We would be far better served if the UP-SP's eastern routes were, as part of the proposed merger, sold to Conrail, not leased to another western railroad.

My reasoning is straightforward. First, Youngstown's future is tied to transportation, our new jet cargo hub will need direct service to raw materials and markets in the Gulf "chemical coast" region and to Mexico. Second, we believe that an owner-carrier, such as Conrail, would have greater incentive to improve markets along the route. Third, by keeping Conrail strong, we ensure a variety of service options and strong price competition among the major railroads in our region, namely CSX, Norfolk and Southern, and Conrail.

Finally, I am concerned that railroad "mega mergers" cost hardworking citizens jobs - as they have in other industries. Conrail is a major Ohio employer, and their success is in the public interest here.

For those reasons I would oppose the proposed merger unless it includes the Conrail purchase of the eastern lines of the old Southern Pacific. Only with the Conrail acquisition will Northeast Ohio economies be maximally served.

Thank you for your consideration.

David J. Betras\*

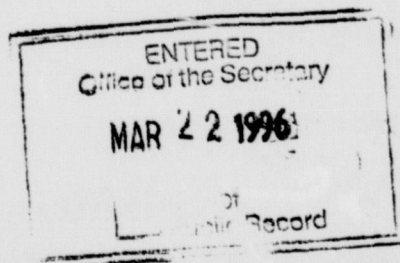
Marc E. Dann\*

Neal G. Atway

Marilyn M. McMillin

Wayne E. Hassay

Of Counsel  
Joseph Betras



Sincerely,

Marc E. Dann  
Attorney at Law

PROCEEDINGS

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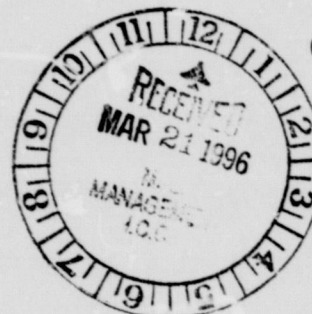
Item No. \_\_\_\_\_ *Elastic Pipe Co.*  
Page Count 2 UCK ENTERPRISES, INC.  
Mar #401 FICE BOX 190  
ARKANS, S 72761-0190  
(501) 524-5151 EXT. 1 + 633

ENTERED  
Office of the Secretary  
MAR 22 1996

DAVID G. JACKSON  
VICE PRESIDENT / PURCHASING AND DISTRIBUTION

FAX  
(501) 524-5464

March 15, 1996



Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
12th and Constitution Avenue, N.W.  
Washington, DC 20423

## ADVISE OF ALL PROCEEDINGS

Re: Finance Docket No. 32760,  
Union Pacific Corporation, et al  
Control & Merger  
Southern Pacific Rail Corporation, et al

Dear Secretary Williams:

This letter is addressing my concerns to the proposed merger of the Union Pacific and Southern Pacific railroads. I am concerned that a merger of this design will reduce the competitive cost for rail shipments to our company in the near future.

The supply of our base resin (polyvinyl chloride) is shipped by rail hopper cars. Some of the current, and possibly future suppliers, will be affected by the merger. I feel that the loss of a competitive market between the current railroad service will result in an increase in freight cost to our company. We could not afford the increase in cost in freight from one supplier versus our competition being able to purchase resin from another source at a lower cost. Every rate is based on pounds shipped and miles traveled. We currently are forced to compete with our competition that may have a shorter hauling distance, which results in a lower freight cost to the shipper and, in turn, may be passed on to the buyer.

Each year, we select a primary resin supplier through a competitive bidding process. Bids come in from suppliers located all over the South, including locations in Texas, Oklahoma, Louisiana and Kentucky. Currently, our primary resin supplier is located in Geismar, Louisiana. In addition to our primary supplier, we spot-purchase individual railcars of resin throughout the year.

The UP-SP merger could have a significant impact on our supply of resin. First, when we spot-purchase cars in Texas, we currently have two routes to our facility: (1) UP to Shreveport, KCS to Siloam Springs, and (2) SP to Shreveport, KCS to Siloam Springs. Competition between UP and SP

Mr. Vernon A. Williams  
Page 2  
March 15, 1996

in this corridor results in lower rates for our shipments. After the merger, with the proposed UP/SJ system in control of both of these routes, we can only expect our rates to increase.

Second, our supplier in Texas that makes a yearly bid for our shipments will face the same problem. As a result, this supplier's bid will be higher, which will be passed on to us, or he may elect to not bid for our business due to the freight cost to our location being higher than his competition.

It must be noted that when rail rates increase, we cannot turn to trucking for a better rate. Because of the length of our hauls, and the size of our shipments, trucking is simply too expensive to be considered an alternative to rail transportation. In fact, if we do not have competitive rail service, we will be forced to close our facility, or move to a rail-competitive location.

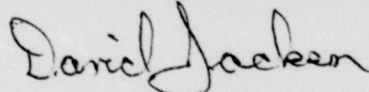
Currently, we have a single source delivery carrier, Kansas City Southern Railroad. We are very interested in helping them remain as competitive as possible so they can continue to provide our shippers with the lowest freight cost to our location. Any merger that would impart the loss of the ability of the KCS to offer extremely competitive rates would have a negative effect on our ability to compete in the marketplace.

Please make every effort to address the competitive concerns I have expressed above.

I, David Jackson, state under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this statement on behalf of Jet Stream Plastic Pipe Co. Executed on March 15, 1996.

Sincerely,

JET STREAM PLASTIC PIPE CO.



David G. Jackson  
Vice-President/Purchasing & Distribution

DGJ:sk

cc: Senator Dale Bumpers  
Senator David Pryor  
Representative Tim Hutchinson

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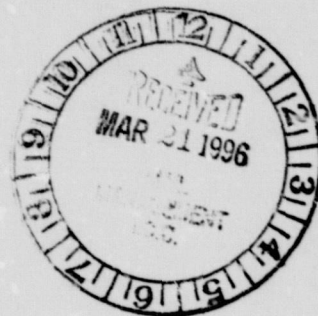
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Item No. \_\_\_\_\_

Page Count 1  
MAR #403

61922



Honorable Vernon A. Williams, Secretary  
Surface Transportation Board  
12th Street & Constitution Avenue  
Washington, DC 20423

Re: Finance Docket 32760

Dear Honorable Williams:

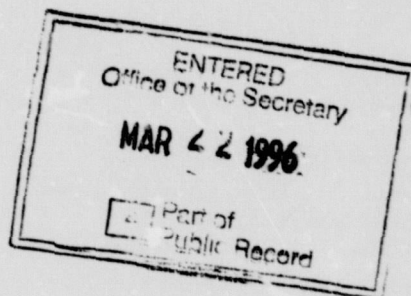
I am AGAINST the merger as proposed of the Railroads as I am well aware that reduced competition means higher prices for the consumer. I strongly believe that CHOICE provides the most level playing field for both businesses and consumers as well as generally enhancing quality and delivery of services. Please take action to stop this proposed merger.

Sincerely yours,

*Marilyn Eanes*

Marilyn Eanes  
146 Walker  
Nacogdoches, TX 75961

cc: Railroad Commission of Texas  
P. O. Box 12967  
Austin, Texas 78711-2967



**ADVISE OF ALL  
PROCEEDINGS**

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Item No. \_\_\_\_\_

Page Count 2

Mar # 403

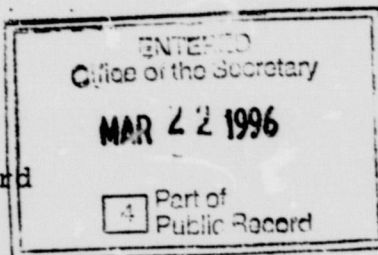
Stratford Lane

Pine Bluff, AR 71603

PROCEEDINGS

March 14, 1996

Office of the Secretary  
Room 2215  
Surface Transportation Board  
1201 Constitution Ave, NW  
Washington, DC 20423-0001



RE: F.D. Number NO32760

Dear Board Members,

I am writing to voice my concern over the proposed merger of the Union Pacific and Southern Pacific Railroads. I have followed the merger proposal closely because my husband works for the Southern Pacific. He has worked in the car department in Pine Bluff for over 32 years. Although we feel he will probably still have a job as long as Pine Bluff has a railroad yard, I don't think this merger will be good for Pine Bluff, AR or the country.

Initially, I was primarily concerned about the proposed loss of jobs - to Pine Bluff in particular. I understand that the application for merger calls for a loss of approximately 100 jobs to the Southern Pacific car department in Pine Bluff. The projected loss represents 50% of the jobs in that department and about 10% of the total work force of the railroad in Pine Bluff. Granted, UP announced plans to add some jobs in other departments, but it will not make up for the lay-offs within the car department.

Pine Bluff, located in Jefferson county, is an economically depressed community. The Southern Pacific Railroad is the sixth largest employer in our county. Downsizing the yards here will greatly affect our town. It will mean Pine Bluff will lose good paying jobs. Many families that could relocate through transfers are two-income families doubling the impact on our community. And, not all employees could transfer because the car department does not offer system seniority.

Recently on a promotional tour Union Pacific officials announced plans to shut down an intermodal facility in Pine Bluff in addition to the job losses specified in the merger proposal. Naturally, this announcement increased fears that UP may virtually shut down operations in Pine Bluff once the merger is completed. The UP currently operates Yard, Car and Locomotive Maintenance facilities at North Little Rock, some 50 miles away. After the merger, how long might it be before the UP decides the duplication of facilities in Pine Bluff is not economically feasible?

But on a larger scale, I believe that this merger would be anti-competitive, in fact much more so than the Santa Fe & Southern Pacific merger that was rejected a few years ago. I realize that the proposed merger agreement includes a stipulation for trackage rights to the Burlington Northern Santa Fe railroad, but I don't think trackage rights would truly encourage a competitive spirit. It just stands to reason that if a railroad could accomplish a monopoly, they would not propose an alternative that will create true competition.



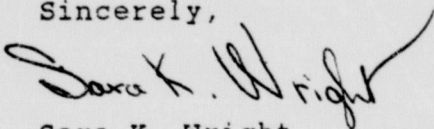
Conrail Railroad made an offer to UP to purchase SP lines in the Midsouth but the UP has stated it is not for sale. Ronald Conway, senior vice president of operations for Conrail, recently spoke in Pine Bluff. "UP understands and has acknowledged that the issue of reduced competition in the SP East region is a real one. Cities like Pine Bluff, which is currently served by UP and SP would only have one rail option in the future if the merger is approved," said Conway. He made a very good point when he said track ownership rather than trackage rights is the key to healthy competition. "Look at it this way, if you're renting a property, you probably wouldn't build a swimming pool in the backyard. In fact, you probably wouldn't invest much capital at all. Ownership brings with it a strong incentive to compete, to invest, and to work for local economic development."

Recently phone companies were broken up because they represented a monopoly. If this railroad merger is approved, the combined UP/SP will control 90 % of rail traffic to Mexico. Texas Congressman John Bryant recently stated "If this merger goes through, one railroad giant will have control over much of the chemical, petroleum and plastics traffic of the Gulf Coast. It will gain monopoly control of the gateways to Mexico rail traffic". Rep. Bryant has called for the proposed merger to be held to the antitrust standards by which the Justice Department should judge mergers and I agree.

If you must approve this merger, I believe divestiture of the Southern Pacific's Cotton Belt line could perhaps meet antitrust concerns. I truly believe that competition would be better served with another railroad owning the line rather than the UP allowing trackage rights to BNSF. Gerald Grinstein, BNSF's retiring chairman said trackage rights are "service with some disability. It's quite different from owning your own track."

Please, give careful consideration to this merger. Thousands of lives will be affected by your decision. Fifteen manufacturers are among the top employers in Jefferson County, all of whom will be affected by your decision. Salt Lake City, El Paso, Portland, Houston, New Orleans, Sacramento, Kansas City, Stockton, and Pine Bluff are just some of the cities that will have shops closed or work moved to other places.

Sincerely,

A handwritten signature in dark ink, appearing to read "Sara K. Wright". The signature is fluid and cursive, with a large, sweeping "S" at the beginning and a long, horizontal stroke extending to the right.

Sara K. Wright



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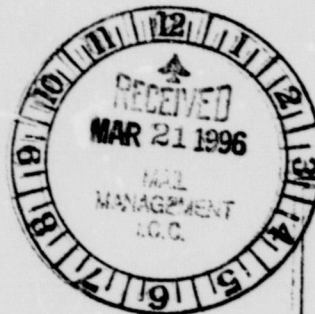
Item No. \_\_\_\_\_

Page Count 2

Mar #392

**SHAMROCK FIBRES INC.**

665 W. JACKSON STREET  
WOODSTOCK, ILLINOIS 60098  
PHONE 815-338-8513  
FAX 815-338-8597



ENTERED  
Office of the Secretary

**MAR 22 1996**

☐ Part of  
Public Record

Mr. Vernon Williams  
Surface Transportation Board  
Room 3315  
12th and Constitution, N.W.  
Washington, D.C. 30423-0001

Re: Finance Docket No. 32760, Union Pacific Corp., et al.  
Control & Merger -- Southern Pacific Rail Corp., et al.

Dear Mr. Williams

I have been affiliated with Shamrock Fibres, Inc. since 1989 and currently hold the position of Executive V.P. Shamrock Fibres, Inc. was established in 1979 in Woodstock, Illinois and through an entrepreneurial spirit has become one of the largest brokers of containerboard, secondary fiber, converting kraft paper, tissue and fine papers in North America. Our company ships approximately 1700 carloads annually of which about 95% cross at the Laredo gateway. This gateway possesses the strongest infrastructure of customs brokers, and also provides the shortest routing between major Mexican industrial centers and the Midwest and Eastern United States.

Shamrock Fibres, Inc. has been a major user of rail service for transportation between the United States and Mexico. We, therefore, have a keen interest in maintaining competitive rail transportation between the United States and Mexico. The Laredo/Nuevo Laredo gateway is the designated primary route for shipments between the two countries for the majority of international traffic.

Just as Shamrock Fibres, Inc. depends on competition to retain its key position in the market, we would expect the same competitive spirit to drive the rail industry. This spirit has dictated improvements in pricing and services in the past for customers it maintains, and has generated new business essential to succeed in these changing markets. This, for many years, has been the case as the Union Pacific and the Southern Pacific have competed head to head for our traffic via Laredo. We remain convinced that this competition has not only resulted in a cost savings for

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MAR 22 1996  
OFFICE OF THE SECRETARY  
U.S. DEPARTMENT OF JUSTICE

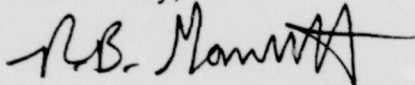
all shipments over the years, but simultaneously has generated service innovations. The TexMex railway which is the Southern Pacific's outlet to Laredo, (as the Southern Pacific does not reach Laredo directly), has been an integral part in maintaining this competitive spirit.

A merger of the Union Pacific and the Southern Pacific will seriously reduce, if not eliminate, competitive alternatives via the Laredo gateway. Although these railroads have recently agreed to give certain trackage rights to the new Burlington Northern Santa Fe Railroad, it seems questionable at best to assume that the BNSF, as the only other major rail system remaining in the Western United States, will be an effective competitive replacement for the independent Southern Pacific on this very important route.

It is our understanding that there is an alternative being proposed to preserve the effective competition through Laredo. The TexMex has indicated a willingness to connect with other carriers via trackage rights to provide efficient competitive routes. Trackage rights, operating in such a fashion as to allow the TexMex to be truly competitive, are essential to maintain the competition at Laredo which would otherwise be seriously diminished in this merger. We would urge the Surface Transportation Board to correct this loss of competition by conditioning this merger with a grant of trackage rights via efficient routes between Corpus Christi, Tx. and these connecting railroads.

With the future prosperity of both countries dependent on the expansion of international trade, it is our position that economical access to international trade routes should not be jeopardized.

Yours truly,

A handwritten signature in dark ink, appearing to read "R.B. Garrett", with a stylized flourish at the end.

Richard B. Garrett  
Executive V. P., Shamrock Fibres, Inc.

RBG/sk

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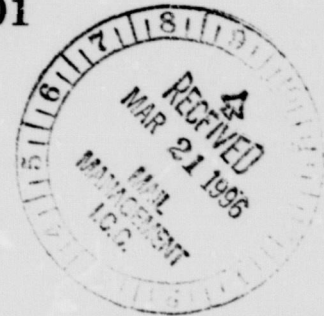
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Page Count 5

Mar # 382  
VERMONT

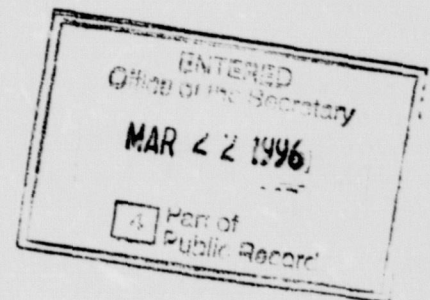
61910  
MENT OF TERRANCE L. PRIEST

COORS BREWING COMPANY  
GOLDEN, COLORADO 80401



FD 32760

TO: Honorable Vernon A. Williams  
Secretary  
SURFACE TRANSPORTATION BOARD  
12th St. & Constitution Ave., NW  
Washington, DC 20423



**ADVISE OF ALL  
PROCEEDINGS**

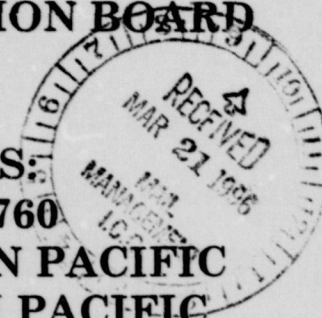
**SUPPORT OF THE APPLICATION OF THE MERGER  
PROCEEDING AS:**

**FINANCE CONTROL DOCKET NUMBER 32760**

**UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD  
COMPANY, AND MISSOURI PACIFIC RAILROAD COMPANY (UP)  
—CONTROL AND MERGER—**

**SOUTHERN PACIFIC RAIL CORPORATION, SOUTHERN PACIFIC  
TRANSPORTATION COMPANY, ST. LOUIS SOUTHWESTERN  
RAILWAY COMPANY, SPCSL CORPORATION, AND THE DENVER  
RIO GRAND WESTERN RAILROAD COMPANY (SP)**

**BEFORE THE SURFACE TRANSPORTATION BOARD**



**THE MERGER PROCEEDING AS:  
FINANCE DOCKET NUMBER 32760  
UNION PACIFIC CORPORATION, UNION PACIFIC  
RAILROAD COMPANY, AND MISSOURI PACIFIC  
RAILROAD COMPANY  
—CONTROL AND MERGER—  
SOUTHERN PACIFIC RAIL CORPORATION, SOUTHERN  
PACIFIC TRANSPORTATION COMPANY,  
ST. LOUIS SOUTHWESTERN RAILWAY COMPANY,  
SPCSL CORPORATION, AND  
THE DENVER RIO GRAND WESTERN RAILROAD  
COMPANY**

**Terrance L. Priest  
Corporate Commerce Manager-  
Logistics  
Registered STB Practitioner  
Coors Brewing Company  
BC410  
12th & Ford Streets  
P.O. Box 4030  
Golden, Colorado 80401-0030**



**VERIFIED STATEMENT OF TERRANCE L. PRIEST**  
**SUPPORT OF THE APPLICATION OF THE MERGER**  
**PROCEEDING AS:**  
**FINANCE CONTROL DOCKET NUMBER 32760**  
**UNION PACIFIC CORPORATION, UNION PACIFIC**  
**RAILROAD COMPANY, AND MISSOURI PACIFIC**  
**RAILROAD COMPANY (UP)**  
**-CONTROL AND MERGER-**  
**SOUTHERN PACIFIC RAIL CORPORATION, SOUTHERN**  
**PACIFIC TRANSPORTATION COMPANY, ST. LOUIS**  
**SOUTHWESTERN RAILWAY COMPANY, SPCSL**  
**CORPORATION, AND THE DENVER RIO GRAND**  
**WESTERN RAIL ROAD COMPANY (SP)**

My name is Terrance L. Priest, Corporate Commerce Manager of Logistics for Coors Brewing Company, whose headquarters are located in Golden, Colorado. I have been employed by Coors Brewing Company since 1982. During my entire tenure at Coors Brewing Company, I have been in the transportation, physical distribution, and logistics department(s), and I am familiar with the transportation/distribution and logistics requirements of Coors Brewing Company and its various Divisions and Subsidiary Companies. I have held management positions in the transportation industry since 1961 and I am authorized to prepare this statement for Coors Brewing Company.

The Coors Brewing Company is a brewery and we make malt beverage products. In 1995 we ranked as the third largest brewer in the United States, and 9th largest in the world, and in fact, we are the largest single site brewery in the United States at Golden, Colorado. Coors Beer is distributed in all 50 states and the District of Columbia by 636 independent distributors and 6 company owned and operated outlets. We are in 30 international markets and use 19 Satellite Distribution Centers strategically located across the United States in our distribution process. Coors is a fully integrated company consisting of company owned and operated container, glass, and related facilities. We sold about 20 million barrels of beer in 1995 and in recent years. In 1995, we shipped about 33,000 railcar loads and received 12,000 railcar loads; we shipped 151,000 truckloads and 6,300 domestic intermodal shipments; 18,000 less than truckload shipments and 4,600 international containers. We employ several thousand people and we are engaged in a consistent and controlled expansion program. Coors Beer is currently brewed in Golden, Colorado, and

Memphis, Tennessee. We are 52% owners of a brewery in Zaragoza, Spain, and we are 1/2 owners of a brewery in Seoul, Korea. We package our products in cans, bottles, kegs and party balls at Golden, Colorado; Coors Crossing (Elkton), Virginia; and Memphis, Tennessee. Coors Brewing Company was founded in 1873 and for the first 105 years, we were content to be a regional brewery operating from our headquarters in Golden, Colorado (about 20 miles west of Denver, Colorado). To compete in the 1980's, Coors Brewing Company expanded to all 50 States and started international markets.

We support the UP/SP merger and furnished our verified statement for that support on September 7, 1995 to the former Interstate Commerce Commission (I.C.C.). We understand the "UP" and the "SP" filed a joint application to the former "ICC" for approval of the merger of the two rail systems. The joint application included a settlement agreement reached by BNSF and UP/SP to be imposed as a condition of the merger. The purpose of our verified statement now is to let the Surface Transportation Board (STB) know that we support the UP/SP merger as conditioned by the BNSF Settlement Agreement.

The BNSF - UP/SP agreement gives BNSF access to affected regions, routes and cities. We see opportunities for shorter routes and a lot of "new" single-line service. This will allow for improved car handling, reduction and possible elimination of terminal bottlenecks, new access to ports and overall, a more competitive rail availability for our company.

Coors Brewing Company strongly believes that the Burlington Northern Santa Fe is the best railroad to provide competition where we now only have UP and SP for rail transportation. Fundamentally, we see the competition for transportation of our products as between railroads and motor carriers. The UP/SP merger as conditioned by the settlement agreement will enhance that competition and give the rail carriers a more level playing field.

Our company depends on quality rail transportation. We believe the UP/SP merger as conditioned by the BNSF Settlement Agreement will provide an improved rail transportation opportunity for us and a better logistics infrastructure for America as well. We encourage the STB to approve the UP/SP merger as conditioned by the BNSF settlement agreement.

Respectfully submitted,



Terrance L. Priest  
Corporate Commerce Manager - Logistics



## VERIFICATION

STATE OF COLORADO

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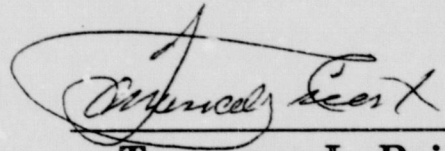
SS.

)

COUNTY JEFFERSON

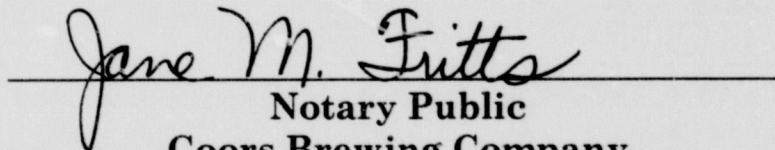
)

Terrance L. Priest, being duly sworn, deposes and says that he has read the foregoing statement, knows the facts asserted therein and that the same are true as stated.



Terrance L. Priest  
Corporate Commerce Manager-  
Logistics  
Coors Brewing Company

Subscribed and sworn to before me this 20th day of March, 1996.



Notary Public  
Coors Brewing Company  
Jane M. Fritts

My Commission or Appointment Expires: My commission expires December 30, 1996

STB

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32760

3-21-96

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61909

Item No. \_\_\_\_\_

Page Count 2

MAR #383



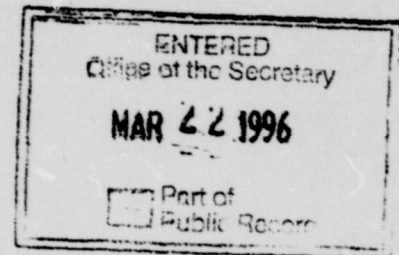
**CITY OF WARSAW**

JEFFREY W. PLANK  
MAYOR



March 8, 1996

The Honorable Vernon A. Williams, Secretary  
INTERSTATE COMMERCE COMMISSION  
12th Street & Constitution Avenue  
Washington, DC 20423



**RE: FINANCE DOCKET 32760**

Dear Secretary Williams:

The City of Warsaw is extremely concerned about the competitive aspects on area businesses as a result of the proposed acquisition of the Southern Pacific Lines (SP) by the Union Pacific Railroad (UP). While we are familiar with the proposed agreement between UP and the Burlington Northern-Santa Fe (BNSF), intended to remedy those effects, we are not persuaded that this arrangement will produce effective competition for rail traffic in the Mid-South region of the United States. This is of concern to our community and state.

We have also reviewed Conrail's proposal to acquire a significant portion of the SP's eastern lines in connection with the merger, especially the lines running from Chicago and St. Louis, to Arkansas, Texas, and Louisiana. We find this proposal to be more appropriate and far more effective in addressing the above stated concerns. The Conrail proposal calls for ownership of the lines, whereas the UP-BNSF agreement mainly involves the granting of trackage right. We believe that trackage rights provide only limited benefits and limited guarantees which can be easily lost if railroads disagree over whose traffic has priority and who is in charge of operations of the line. Further, we believe an owning railroad is in a far better position than a renter to encourage economic development activities on its lines.

Another reason the City of Warsaw favors Conrail's proposal is that it would provide efficient service for rail customers in our area for movement of goods and raw materials to and from the Mid-South and Texas Gulf. Conrail's proposed one-line service to these markets would be the fastest, most direct, and involve the fewest car handlings.

**ADVISE OF ALL  
PROCEEDINGS**

The Honorable Vernon A. Williams, Secretary  
INTERSTATE COMMERCE COMMISSION

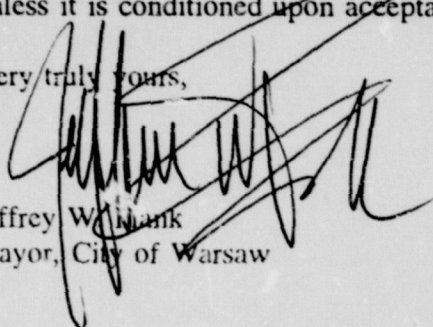
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March 8, 1996

We are extremely concerned about the recent railroad merger trend in the United States. This trend seems to be leading our nation toward a few giant railroads. Clearly, mega-railroads will further limit competition and reduce productivity.

For all the reasons above, the City of Warsaw is actively opposing the UP-SP merger at the ICC unless it is conditioned upon acceptance of Conrail's proposal.

Very truly yours,



Jeffrey W. Wink  
Mayor, City of Warsaw

cc: David M. Levan, President & CEO  
CONRAIL  
P.O. Box 41419  
Philadelphia, PA 19101-1419



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Item No. \_\_\_\_\_

Page Count 2

Mar. #409



5100 Poplar Avenue • Suite 2414 • Memphis, TN 38137 • (901) 685-5348 • Fax (901) 684-5390

March 13, 1996

Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
12th & Constitution Ave., N.W.  
Washington, D.C. 20423



Re: Finance Docket No. 32760, Union Pacific Corporation, et al-Control and Merger-Southern Pacific Rail Corporation, et al.

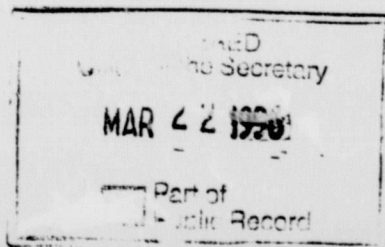
Dear Sir:

I am writing to support, if the Board approves the UP/SP merger, the settlement agreement between BN/SF and UP/SP as the best remedy for the loss of competition in the markets in which we participate, that would otherwise lose access to a second rail carrier as a result of the UP/SP merger.

My name is Carey Dale Owen, I am Director of Transportation for Cedar Chemical Corp., Memphis, Tennessee. I have been employed by Cedar for 8 years and I have been in transportation for 40 years, working with a major railroad early in my career, and then moving into the fertilizer industry as a traffic manager. My duties here at Cedar relate to rail and rate negotiations with railroads, truck lines, barge lines, and ocean carriers on behalf of Cedar subsidiaries.

Cedar Chemical owns and operates two potassium chloride mines on the BN/SF in Carlsbad, NM and a potassium nitrate plant on the Kansas City Southern in Vicksburg, MS. Cedar is the largest potassium chloride producer in the United States and operates the only potassium chloride plant in the country at Vicksburg, MS. The potassium chloride market share consists of 40% of the US Producers market and approximately 6% of the North American producers market.

Cedar utilizes the service of the BN/SF, the UP and SP for delivery of our products. These carriers are vitally important to our business as 75% of our shipments move by rail. Therefore, the agreement reached between these carriers will enhance our competitiveness, particularly against imports from foreign countries that can move product at a lower cost to some of our markets by water than we can by rail. Not only will we benefit, but our customers can purchase a



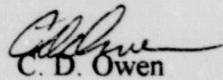
PROCEEDINGS

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better quality product from United States producers than they can procure through foreign sources.

It is for these reasons we respectfully request that, if the Board approves the UP/SP merger, the BN/SF agreement should be implemented in its entirety.

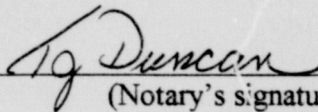
Sincerely Yours,



C. D. Owen  
Director of Transportation

cc: Ms. Roberta R. Lund  
Special Project Coordinator  
Law & Government Affairs Department  
3800 Continental Plaza  
777 Main Street Suite 3800  
Fort Worth, Texas 76102-5384

Sworn to and subscribed before me this 13th day of March, 1996



(Notary's signature and seal)

My Commission Expires Jan. 28, 1998

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61907



JACK T. BARRACLOUGH  
DISTRICT 29A  
BONNEVILLE COUNTY

HOME ADDRESS  
3018 WESTMORELAND CIRCL  
IDAHO FALLS, IDAHO 83402  
TELEPHONE (208) 523-4463  
FAX (208) 526-1887

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Mar #408

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COMMITTEES

EDUCATION

ENVIRONMENTAL AFFAIRS

RESOURCES & CONSERVATION

House of Representatives  
State of Idaho



March 16, 1996

Honorable Vernon A. Williams, Secretary  
Surface Transportation Board  
Twelfth Street and Constitution Avenue, N.W.  
Room 1324  
Washington, DC 20423

**ADVISE OF ALL  
PROCEEDINGS**

32760  
Finance Docket No. 32760, Union Pacific Corp., et al -- Control & Merger -- Southern Pacific Rail Corp., et al.

Dear Mr. Williams:

I, Jack Barraclough, am a member of the House of Representatives, representing Bonneville County in the Idaho legislature. I am the Vice-Chairman of the House Environmental Affairs Committee.

I support the proposed merger of the Union Pacific Railroad and the Southern Pacific Lines. The merger of the UP and SP will enhance rail competition, strengthen the Idaho transportation system and help fulfill the potential for increased economic development within the State of Idaho.

In particular, this merger will provide faster, more direct and new single-line routes for many of the areas that trade by rail with Idaho. For example, eastern and northern Idaho will obtain much shorter single-line routes to many points in California and Oregon. In addition there will be a new single-line route for the Eastport, Idaho gateway to Mexico and to SP-served points in California, Arizona and Texas, as well as new single-line service from all UP-served points in Idaho to numerous points now served only by SP in Colorado, New Mexico, Louisiana, and the Midwest. Both shippers and receivers in Idaho will benefit from this streamlining.

Also important is the fact that merger will enable UP to provide a ready supply of railcars, particularly the refrigerated equipment that Idaho shippers need. By making use of backhaul opportunities and taking the best advantage of seasonal patterns, the UP could provide more reefer cars for Idaho potatoes, for example, without any corresponding increase in its fleet and the cost that would entail. In addition, more capital investment for expanded capacity would be possible with the additional cost savings from combining the operations of the two railroads.

A merged UP/SP will strengthen competition with the now-merged BN/Santa Fe and its new single-line routes. It is important to Idaho that UP/SP be permitted to compete by merging because of the benefits outlined above, and so that the UP will remain a financially strong match for BN/Santa Fe in Idaho.

For these reasons, the undersigned fully supports the merger and urges the Surface Transportation Board to approve the merger promptly.

Jack T. Barraclough

CTB

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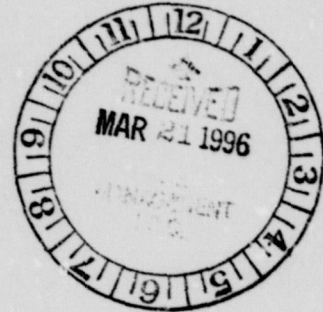
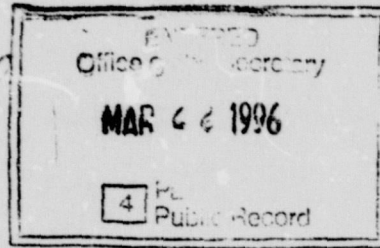
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Mar #407

March 13, 1996

Secretary  
Surface Trans. Board  
12th St. Const. Av.  
Wash. D.C. 20423



Dear Secretary Williams,

Please vote no on the Union Pacific & Southern Pacific Railroads merger. I believe it will impact our Area in a negative manner. I feel that this merger will cost more jobs, not create more! This merger would not be in the best interest.

Sincerely,

Paul Jones  
City Council  
Norton, Ohio

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